

## Response to the Presidency Draft of the European Consensus on Development of 16 February

As you are finalising the text of the new Consensus on Development, CONCORD would like to make a number of recommendations where we feel the text should be strengthened. We are most particularly concerned that all text on the issues that have been identified as drivers of sustainable development should support the overall objectives of the Consensus as a long-term, visionary policy dedicated to eradicate poverty, leaving no one behind and advancing coherent policies for sustainable development worldwide. If the boxes are to remain, it is important to get the language in and around the 'boxed text' right. Only in this way will the new Consensus be in line with spirit and letter of the 2030 Agenda for Sustainable Development. It is also crucial that the new Consensus provides a meaningful framework for EU action for the coming 15 years. It should therefore focus on the EU's longer-term vision and aspirations, rather than short-term political choices. Clearly, this implies that references to specific EU policy tools and processes, including those not yet formally adopted, should be kept to a minimum, since they may not be of relevance or appropriate in five or ten years' time and because the Consensus should guide the development of policy tools and processes and not the other way around.

We therefore recommend that you:

- Include an explicit reference to "Leaving No One Behind" as an approach to the identified "drivers" of sustainable development in Paragraph 19.
- Strengthen the drivers by ensuring that the interlinked nature of issues addressed by the 2030 Agenda is respected by making clear references to the variety of various development issues that the drivers contribute to may impact on or be impacted by and which therefore need to be considered in parallel. Each of the drivers should also clearly address the four dimensions of sustainable development.
- Remove all references to the European External Investment Plan and the Partnership Framework (for example in the text boxes on page 12 and 19), since these are specific EU instruments and approaches and are not in line with "Leave No One Behind".
- Ensure language on rights and not only "needs" is included in the boxes on migration and on youth, in line with the SDGs, and an explicit understanding that youth is defined as all people between 15 and 24 (as per the UN definition).
- On migration: replace all references to "irregular migration" with "forced migration and displacement", remove language on "all policies and tools" in addressing migration and forced displacement and replace with a reference to PCD and PCSD, remove a reference to border management as this is not compatible article 208, and add a reference to "ownership" of partner countries, in line with development effectiveness principles (boxed text p.12).

### Ensuring a fair private sector contribution to the SDGs

We welcome the fact that the draft text is putting emphasis on the role of micro and small and medium size enterprises, and cooperatives and the intention to promote new business models (§ 50). There is one single reference to promoting corporate accountability (§ 52), but wording remains weak in that field. § 53 seems to assume that promotion (rather than enforcement) of UNGPs, sharing best practices and voluntary approaches will suffice to prevent and put an end to human rights abuses and environmental degradation by private companies operating in partner countries.

- The Consensus should recognise that there are areas of tension between commercial practices/financial return and development. For example, tax payments can be seen either as a cost that should be minimised or a contribution to the communities where the business operates.
- The Consensus should acknowledge that private finance cannot be a substitute to public investment in health, education, and social protection.
- The Consensus should include a commitment by the EU to putting in place a binding corporate accountability framework, including redress mechanisms in cases of human rights violations or environmental damage by European companies operating in partner countries.

## Avoid identifying development with economic growth

We also welcome that the text recognised the multidimensional nature of poverty in §22. We welcome the inclusion of the 20% benchmark on social inclusion and human development (§ 21) and the inclusion of an express reference to the right to health (§ 27). The new draft has also made progress in qualifying the need for “sustainable and inclusive” growth. However, additional efforts are needed to avoid identifying development with economic growth. Economic growth alone does not necessarily trickle down to the majority and does not benefit everyone equally. GDP is at best a very limited measure of development and can mask rising inequality.

- Remaining references to growth should be replaced by “inclusive and sustainable economic development/progress”. This includes the reference to growth in § 91.
- The text should include a more comprehensive notion of economic development and commit the EU to find alternative indicators which also reflect social and environmental costs as well as well-being.

## Development assistance not to be put at the service of migration objectives

We welcome the fact that the draft text reconfirms that EU development policy should have the eradication of poverty as its primary objective, be based on development effectiveness principles and that development spending should fall within the OECD-DAC definition. However, §39 contradicts those commitments by opening the door to making EU development cooperation and trade conditional on reaching migration objectives. In addition, there is no evidence that the type of measures listed in § 38 to address the root causes of ‘irregular migration’ (or rather forced migration and displacement) will work. Instead, EU support should focus on preventing and solving conflicts, tackling inequalities, improving governance, strengthening people’s resilience, supporting citizens to hold their governments accountable, building an enabling environment for civil society, enhancing the rule of law and tackling corruption. Only then can the EU contribute to create local opportunities for safe and decent work and livelihoods, so that people and their families can freely choose whether to migrate or not.

- The reference to “applying the necessary leverage by using ... development and trade” in § 39 should be deleted.
- The words “irregular migration” in §§ 38, 39 and 72 should be replaced with “forced migration and displacement”, and insisting the EU should create more legal pathways thus reducing irregular migration by making it regular.
- Include references to human rights obligations in the box on migration

## Gender is broader than the Gender Action Plan

In comparison with the EC Communication, the Presidency draft benefits from improved language on various issues relevant for gender equality, such as sexual and gender-based violence or sexual and reproductive health and rights. However, the action of the EU and its Member States in the realm of gender equality and women's and girls' empowerment is notably framed by the Gender Action Plan 2016-2020. While valuable, this plan only covers a limited period of time and, because of this, presents certain limitations in its response to this massive challenge. In addition, if gender equality is still acknowledged as a key value of development cooperation, its preconditions - the areas in which it is critical to invest to guarantee that the global community will reach gender equality – remain absent from the document and few sections (except the 'principles' and 'People' sections) state a link to gender equality.

- Adopt a broader and more ambitious approach to gender that goes beyond the Gender Action Plan.
- Include explicit commitments to ensure gender budgeting and invest in areas that are key to advance gender equality.

## Development at the heart of partnerships instead of investment and security concerns

The new draft of the Consensus on development partially addresses some of the concerns regarding the development partnerships that the EU is planning to implement in the future. We welcome the fact that the text reaffirms its support for the development effectiveness principles as a key agenda to all kinds of development cooperation. However, concerns remain that the Consensus could set the stage for making policy dialogue on issues such as security, trade and migration a precondition for development strategies. The new draft is still keen to pursue *collaborative partnerships* (§ 73), which may mark a departure point from the notion that the sole priority is the realization of the 2030 Agenda through the leadership of Partner Countries. The approach based on policy dialogue on non-development issues drives, for instance, the partnerships with Middle Income Countries when a *combination of political, security, economic, scientific, technical, technological and adapted financial cooperation* is called into question with an agenda of *public policy and reform* (§ 95). Similarly, the suggested nexus between world trade agreements and development cooperation (§ 106) blurs the boundaries between priorities and interests, not just between policies.

- Whilst it is appreciated that the 2030 Agenda comes with a breadth of new challenges and identifies the interlinkages between different areas, we urge the EU to keep partnerships on a firm development ground without juxtaposing any kind of conditionality.
- The EU should not utilize cooperation, and ODA in particular, to *leverage closer trade relationship*, which may not only affect the democratic ownership principle, but may also diminish support for key global public goods such as education, health and land.
- In the case of blending (§ 82) and leveraging (§ 102), the Consensus should safeguard the additionality of the funds and the development nature of the results that such approaches are expected to pursue.
- The EU, when turning to *security sector actors* (§ 67) for development objectives, should disclose their plans in advance and seek the scrutiny and approval of the international community, OEDC DAC included.

## Remain true to the concept of PCD and PCSD

We recognize and welcome the improved text by the Council regarding Policy Coherence for Development in § 10. However, the commitments to PCD and PCSD are contradicted by a lack of recognition of existing and potential incoherences, and by misinterpretation PCD as efforts to channel development cooperation and ODA in support of other policy areas and EU's internal interests. One example of this is the commitment to use development cooperation to support the implementation of the provisions on trade and development in the EU trade agreements with partner countries (§ 51). The sustainability chapters in trade agreements will have limited impact on the ground, even if they are backed with ODA, as long as those provisions cannot be enforced in the same terms than the other provisions of FTAs. Furthermore, the principle of PCSD would entail sustainable development guiding the whole trade agreement, not being an additional chapter to be implemented by ODA funding.

- The principle of PCSD should be included in § 7, replacing “A range of EU policies contribute in a coherent manner to this objective” with *“Policy Coherence for Sustainable Development is a key principle and obligation to ensure that EU policies contribute to and not undermine sustainable development globally.”*
- The reference to PCD in § 51 should be removed because it is a clear misinterpretation of the principle. Instead, the text should add a reference to the need to channel ODA, and Aid for Trade in particular, towards areas and sectors that have the potential to reduce inequality and ensure that the wealth generated by trade benefits all citizens.
- The PCD section (4.2) should be strengthened by: including references to “avoiding detrimental impacts on human rights and sustainable development” (§ 110); indicating how policy processes will also “assess any potentially negative impacts” (§ 111); and developing and implementing “mitigation, accountability and redress mechanisms to ensure that all its policies have, as far as possible, a positive impact on sustainable development”
- The draft should also ensure that the security and migration agendas also fall within the scope of the principle of PCD/PCSD (similarly to trade and investment), and that any measures implemented in these areas are consistent with development objectives.

## Adopt a more comprehensive approach to trade

We are concerned about the Consensus linking the EU development agenda with trade liberalisation. This could be perceived as a way for the EU to promote the economic interests of its own companies investing in partner countries. Trade liberalisation is being questioned by large segments of the population in many regions, including in Europe, because it has left too many people behind. The EU trade policy should serve sustainable development both in Europe and in partner countries. As long as this is not the case, development cooperation should not be used to support the objectives of the EU trade policy towards integrating developing countries' economies in global value chains that retain most of the value and wealth in rich countries, and can generate a race to the bottom in terms of wages and working conditions.

- § 58 should include participation of affected communities to make sure that infrastructure project contributes to improve their life - and not just trade and growth.
- § 106 should include a reference to local and regional trade, not just world trade.

## Wording on CSO space and role to be improved to ensure consistency

We welcome the stronger wording with regard to the role of civil society in development and democracy and to the promotion of an enabling environment and political space for civil society (§ 17, 63, 87 and 88). We also welcome the inclusion of trade unions and the express reference to

social dialogue as a means to ensure that private companies effectively contribute to the realisation of all SDGs. This needs to be preserved and the role of social dialogue as a key enabler to fight inequality and ensure respect for labour standards should be even strengthened. However, in view of the guiding and more operational nature of the new text and in order to keep the language consistent with the stated objectives, the role of civil society should be strengthened in the following sections:

- A reference to the role of civil society organisations and diaspora organisations, in particular, should be added in the section on migration, including aid to refugees and IDPs and their host communities (§ 38 to 40).
- Farmers organisations, including smallholder farmers' organisations and cooperatives, should be recognized as key stakeholders in sustainable management of natural resources, agriculture and food security support programmes and in policy making in these areas (§ 43, 44, 56). In the same way, the text should also include a reference to accountability mechanisms that provide the means for civil society and farmers' organisations to monitor the negotiation and implementation of trade agreements, including EPAs (§ 51).
- The essential role of civil society, women's organisation and community leaders, including religious leaders, in peace and reconciliation should be emphasized (§ 69). It is also essential to refer to human security and ownership by people and communities and not just national ownership in relation with security sector reform (§ 68).
- The text should refer to maintaining support to the social and political role of civil society and to human rights defenders in Middle Income Countries even in the case bilateral cooperation is phased out (§ 94).
- In addition, it is important to make sure that fundamental freedoms and civic space are mainstreamed in the political dialogue with partner countries (§ 62) and that accountability to citizens' and supporting the role of civil society in budget monitoring is secured in the context of budget support (§ 81).

## **Food security and agriculture to recognise paradigm shift and smallholders**

We welcome the focus on food, nutrition and agriculture as key areas of the EU development cooperation. However, Concord would like to see an express reference to the need for a paradigm shift from industrial agriculture and agribusiness supply chains to diversified agroecological production, territorial food systems, climate resilient and nutrition-sensitive agriculture and regeneration of natural resources. In addition, we believe the current text fails to sufficiently acknowledge the need to prioritise support to smallholder producers since it is they who feed most of the people in developing countries, preserve the soils and biodiversity (§ 56), and are main investors in agriculture.

- Paragraph 24 focuses on children under five and women in pregnancy and lactating period. Particular attention must be paid to early interventions, especially in the first thousands days of a child's life, as these can have tremendous impacts on a child's cognitive and physical development.
- Smallholders should be key participants in research and innovation, their rights to farm-saved seeds and to land should be protected, and the EU should invest in helping them to strengthen their bargaining power. § 44 and 56 should be amended to reflect this.
- The text should not only acknowledge the need for private investments in agriculture that complement and do not undermine farmers' own investments, but also the need for public investments in that field (§ 56).
- A stronger focus on territorial markets, as per the Committee of World Food Security guidance, should be included as well.



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