

Response to the Presidency Draft of the European Consensus on Development of 24 March

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. It is crucial that the new Consensus provides a meaningful framework for EU action for the coming 15 years in line with the spirit, objectives and principles of Agenda 2030. It should therefore give more prominence to the leave no one behind approach as a main driver of development and 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. In addition, is it necessary to equip the Consensus with an appropriate monitoring mechanisms that ensures progress can be adequately monitored.

Our key concerns are listed below and explained in greater detail in this document:

- Development cooperation should not be at the service of EU's migration management objectives and the concept of 'irregular migration' should be replaced with 'forced migration and displacement' throughout the text.
- The text on PCD should pay more attention to avoiding and addressing incoherent policies and negative impacts on human rights including through proper remedy mechanisms.
- The consensus should embrace a concept of development that is broader than growth. The EU and its MS should commit to develop and adopt new measures of progress and development.
- The Consensus should acknowledge that private finance cannot be a substitute to public investment in health, agriculture, education, adaptation to climate change and social protection.
- The Consensus should commit the EU and its MS to put 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.
- The consensus puts too much emphasis on trade agreements while not recognizing the potential adverse impacts of trade liberalisation on people living in poverty and not providing the space and the means for civil society and farmers' organisations to properly monitor the negotiation and implementation of trade agreements.
- The consensus should be more explicit on the fact that the EU will adopt a three-pronged approach to gender; mainstreaming, targeted actions and policy dialogue and should use the concept of 'gender equality' throughout the document
- The Consensus should give more prominence to the rights and role of small-scale farmers including their rights to save, exchange and sell seeds and the essential role of agro-ecological practices.
- The consensus should recognize that 'horizontal health system strengthening' is the best mean to achieve the overarching objective of equitable and universal access to health.
- The Consensus should be more explicit on the accountability mechanisms that will be used to monitor and report on its implementation.

Ensuring a responsible 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, cooperatives, and the intention to promote new business models (§ 48/49) as well as the added references to due diligence and the respect for human rights (§ 49) and the additionality principle for blending grants and loans (§ 82). The language on corporate accountability, however, remains too weak. Overall, the draft seems to assume that the promotion,

rather than the enforcement UNGPs, and sharing best practices will suffice to put an end to human rights abuses and environmental degradation by private companies operating in partner countries and favours voluntary approaches to CSR. In practice, huge gaps exist between corporate policies and actual practice. The Consensus should recognise that there are areas of tension between commercial practices/financial return and sustainable development. Binding regulations are needed to ensure a responsible private sector contribution:

- The Consensus should explicitly reference to the enforcement of safeguards not only to ‘do no harm’ but to ‘do good’ in core business based on the UNGPs on Business & Human Rights.
- The Consensus should include a commitment by the EU to put 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.
- The Consensus should acknowledge that private finance cannot be a substitute to public investment in health, education, and social protection.

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

We welcome the recognition in §39 of the positive contribution of migration to sustainable development and the important role of migrants and diaspora as development actors both at home and abroad. However, we reject the simple distinction between regular and irregular migration and the focus on root causes of irregular migration. Instead we urge once more to make a distinction between safe and voluntary migration and mobility on the one hand and forced and dangerous migration and displacement on the other.

- The EU consensus should outline how the development policy should address the root causes and consequences of forced migration and displacement. 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.
- The words “irregular migration” in §§ 39, 41 and 70 should be replaced with “forced migration and displacement”, and insisting the EU should create more legal pathways thus reducing irregular and dangerous migration by making it regular.
- Remove in §42 the reference to “long-term” forcibly displaced persons, when referring to inclusion in the economic and social life of host countries and communities, as in protracted crises the inclusion needs to happen already from the very beginning rather than starting with those who have been displaced long-term.

We also welcome the fact that the revised 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, §40 contradicts those commitments by opening the door to making EU development cooperation and trade conditional on reaching migration objectives, by “applying the necessary leverage by using all relevant EU instruments and tools, including development and trade”. We reject aid conditionality both in ‘more-for-more’ and ‘less-for-less’ approaches where in the latter case aid budgets are cut or trade preferences withdrawn. We also reject forced return and readmission clauses in agreements with third countries and reject deportations to countries other than their country of origin.

- The reference to “applying the necessary leverage by using ... development and trade” in §40 should be deleted.
- Include references to human rights obligations in the box on mobility and migration, e.g. when referring to the needs and safety of migrants and host populations

Finally, we also reject any diversion of ODA resources from development to migration objectives, and from all developing countries to countries of origin and transit of migrants or countries that engage in migration deals and partnerships with the EU at the expense of other poor and fragile countries, in particular in Africa and the EU neighbourhood.

Some improvements on gender but the approach remains superficial

We welcome the addition of the wording currently contained in the Gender equality box. The wording now recognizes the intersection between gender inequalities and other inequalities, as well as the link between gender equality and better realization of their rights to health and education. However, the draft still fails to address the preconditions required for achieving gender equality (i.e. the areas in which it is critical to invest to guarantee that the global community will reach gender equality). Maintaining mentions to gender equality under principles and values, rather than means of implementation, does not give much indication on how the EU intends to actually engage on this, in particular within other domains. Similarly, the three-pronged approach (mainstreaming, targeted actions and policy dialogue) is included in the draft in relation to gender equality but these mentions are disseminated throughout the text and not presented as a coherent EU approach. Finally, EU's engagement for gender equality is still described under the priorities of the GAP 2016-2020, which provides a restricted framework.

- Ensure consistency throughout the document for gender equality and not equality between women and men. It is important to take into consideration all gender identities but also to recognize gender equality issues as going further than only an equality on paper between women and men.
- Provide a more coherent overview of the areas and ways in which the EU is going to work on gender equality. In particular, articulate in a coherent manner and under a single paragraph, that the EU will adopt a three-pronged approach to gender (mainstreaming, targeted actions and policy dialogue).

Remain true to the concept of PCD and PCSD

We recognize and welcome the improved text regarding Policy Coherence for Development in § 10. However, the commitments to PCD are still contradicted by a lack of recognition of existing and potential incoherencies. The text covering policy coherence in various parts of the Consensus focuses on potential synergies between different policies and does not recognize the need to avoid incoherent policies and negative impacts on human rights. We call for stronger language on policy coherence, and further clarity in the use of the terms PCD and PCSD.

- The principle of PCSD should be included in § 8, by adding “Policy Coherence for Sustainable Development (PCSD) is a key principle and obligation to ensure that all EU policies integrate the three dimensions of sustainable development and good governance, and that the policies do not undermine sustainable development globally.”
- The paragraph introducing Policy Coherence for Development (§ 10) should also include a reference to avoiding negative impacts.
- § 11 should be clarified to read “Therefore, the Consensus will also contribute to the requirement of ensuring consistency within the different areas of EU external action and coherence between these and its other policies.”;
- The PCD section (4.2) should be significantly strengthened by:
 - Adjusting § 108 as follows: “The Consensus will guide efforts in applying PCD across all policies and all areas covered by the 2030 Agenda, seeking synergies and avoiding detrimental impacts on human rights and sustainable development, including notably in trade, finance, environment and climate change, food security, migration

- and security. Particular attention will be given to migration, security, combatting illicit financial flows and tax avoidance, and to trade and responsible investment.”;
- Indicating how policy processes will also “assess any potentially negative impacts” 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” (§ 109).

Development at the heart of partnerships instead of global trade, investment and security concerns

We welcome progress in reasserting the relevance of the effectiveness principles in the context of the development partnerships. However, we remain concerned that policy dialogue on issues such as security, trade and migration will be used as a precondition to build a development partnership with the EU. In § 93-95 combination of political, security, economic, scientific, technical, technological and adapted financial cooperation comes into play along with an agenda of public policy and reform. Similarly, the suggested nexus between free trade agreements and development cooperation (§ 104) blurs the boundaries between EU priorities and developing countries’ interests. We believe the text should be amended along the following lines:

- The EU should not utilize cooperation, and ODA in particular, to leverage closer trade relationship (§ 104), which may affect the ownership of development programmes and diminish support for key global public goods such as education, health and natural resources.
- In the case of blending and leveraging (§ 100), the Consensus should explicitly guarantee the financial and developmental additionality of the funds and the development nature of the results that such approaches are expected to pursue.
- When turning to security sector actors (§ 65), the EU and MSs should disclose their plans and seek the scrutiny of the international community, OEDC DAC included. EU must refrain from including military actors under any circumstances, and the financing must otherwise comply with the requirements of OECD-DAC ODA definition if sourced from development financing instruments.
- We call on the EU to revise the decision to delete the commitment to allocate half of the excepted ODA increase to Africa – home to most the LDCs. Without this commitment, there is a risk to create a gap in the funding for the country’s most in the need.

Good wording on CSO space and role, but it is important 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, especially the in § 17, 61, 86 and 87. 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, the role of civil society could still be strengthened in the following sections:

- 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, 55 and 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 (§ 52).

- The essential role of civil society, women's organisation and community leaders, including religious leaders, in peace and reconciliation and the importance of social linkages and a functional civil society in situations of fragility still need to be better reflected in §64 and 67. In 67, it is essential to refer to ownership by people and communities and not just national ownership in relation with peace and security. We suggest the following: "The success of interventions related to peace and security depends particularly on cooperation with local actors, including civil society and religious and community leaders, and their ownership of the process."
- We appreciate the new § 93 focusing on the need to leave no one behind in MICs and would like to see at the end of the paragraph a reference to the necessity to support a diverse and vibrant civil society in these countries to achieve this objective as well as the respect and promotion of human rights.
- Accountability to citizens' and supporting the role of civil society in budget monitoring should also be secured in the context of budget support (§ 80).

Reinforcing section on food security and agriculture

We welcome the stronger emphasis on the potential of local and regional food production to lift people out of poverty (§ 24 & 55) – this is in line with the World Committee on Food Security's (CFS) emphasis on territorial markets. We welcome the express reference to companies' obligation to respect tenure rights in § 54 and the commitment to support to land rights for women and local communities (§ 56). The central importance of smallholders, including family farmers and pastoralists is now expressly included in § 54. We also appreciate the fact that agricultural markets and value chains in partner countries must benefit the poor (§ 55). The inclusion of an express reference to the role of public investments in agriculture is also an improvement. However, we call for:

- The inclusion of an express commitment to apply recommendations adopted in the CFS, since this is the most legitimate and inclusive space where food and farming is being discussed. EU and member states are playing an active role in that space, and the EU and member states policies related to food security should align with decisions made there. This would also be in line with the Consensus support for multilateralism and UN agencies. (§ 55)
- A commitment to ensure research and innovation involve the participation of small scale food producers - a key pre-condition for success and ownership anyway (§ 55).
- The inclusion of the rights of farmers to save, exchange and sell seeds, a crucial ingredient for food security and farmers' autonomy, as per the International Treaty on Plant Genetic Resources.
- The reference to the economic productivity of children should be cancelled and replaced by a reference to the impact of hunger on children's cognitive and physical development (§ 24). A stronger focus should be placed on interventions during the first 1000 days of a child's life, paramount to his/her ability to grow, learn and thrive (§ 24).
- An explicit reference to the potential of agro-ecological practices and the need to support them more.
- Means foreseen to ensure that human rights standards and commitments on sustainable development and transparency are built into business should include not only sharing of best practices but also formulating and applying regulation. (§ 54)

Building health systems that are fit for purpose

While we welcome the commitments on health it is important that horizontal support to health systems strengthening also broadens access to services.

- We suggest to add to the reference to "horizontal health system strengthening" by adding "so as to contribute to equitable and universal access to health".

While we welcome commitments related to the training, recruitment, deployment and professional development of their health workforce, we would like to stress that biggest challenge for many partner countries remains the retention of qualified and experienced staff in a highly competitive global labour market, not least because the EU MS themselves recruit increasing portions of their own health workforce from partner countries.

- We suggest adding “retention, in line with the WHO 2010 Code of Practice on the International Recruitment of Health Personnel” to the areas of EU support in § 27.

Finally, in § 53, on the mobilisation of private resources for development in areas with transformation potential for sustainable development, we want to stress that in health, the performance of the private sector depends on many factors, which, if not taken into consideration, are likely to be detrimental to the performance of the health care system, potential leading to its commercialization and unequal access.

- We suggest that health be removed from the priority sectors where the EU will promote the mobilisation of private resources.

A few more steps to avoid identifying development with economic growth

We also welcome that the text recognises the multidimensional nature of poverty in §19-22. We welcome the inclusion of the 20% benchmark on social inclusion and human development (§ 22) 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 and added references to sustainable development in key paragraphs. § 36 and 37 on inequality are also welcome. 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 economic development and can mask rising inequality.

- Remaining references to growth should be replaced by “inclusive and sustainable economic development/progress”.

Monitoring and accountability mechanism

The proposed Consensus lacks a monitoring and accountability mechanism. The EU currently issues progress reports on a number of relevant policies and instruments, such as the Gender Action Plan, the Aid for Trade progress report, the Food Security progress report, the PCD biannual report – to quote but a few. Those reports are important transparency and accountability tools and should be preserved. There was also in the past (until 2015) an Annual EU Accountability report on Financing for Development.

1. The European Commission (EC) should make an inventory of existing monitoring mechanisms and progress reports related to issues covered in the Consensus. This should serve as a basis for a gap analysis that would allow the EC to identify areas where further reporting is needed. It is particularly important the EC ensures all EC reports and analysis include of high-quality data disaggregated by income, sex, age, race, ethnicity, migration status, disability and geographic location. The EC should also ensure that the following gaps are addressed:
 - a. the level of political and financial support provided to independent civil society organisations in Europe and in developing countries to ensure a thriving and participatory democracy;
 - b. policies and tools in place to fight social, economic and political inequality;
 - c. progress and performance of any partnerships that the EU might establish in order to implement the Consensus/Agenda 2030.

2. Ongoing and new reporting processes should be used in the regular progress report under the Consensus, with a general introduction based on the structure of the Consensus, highlighting the synergies and progress across different areas based on those specific existing reporting processes, and complemented with additional reporting or assessment for key areas identified in the gap analysis. That report would be issued every two years and would provide a comprehensive overview of the level of implementation of the Consensus – allowing for lessons learned and adjustments where needed.
3. CONCORD has consistently asked for an adequate EU-level monitoring, accountability and review process on the implementation of Agenda 2030. We believe the monitoring and accountability process for the Consensus should be part of the Agenda 2030 monitoring process, since it would cover its external dimension. The two processes therefore need to be designed so that they complement each other. Parliaments and other relevant stakeholders should have an opportunity to participate or input into this reporting exercise.

CSO endorsement of the consensus

Over the last few months, the possibility of CSOs endorsing the consensus has come up in some meetings and official member state positions. Since it is possible that organisations cross Europe are asked their positions on the possibility of endorsing the consensus, CONCORD's view is that **it is not possible for CSOs to endorse the Consensus** for a number of reasons:

- CSOs and EU governments and institutions play distinctive roles in development. The Consensus is being built by and for EU governments and institutions. CSOs do have a role to play in the implementation of the Consensus because we are actors of development. We will also monitor how the Consensus will be implemented and will involve and reach out to our constituencies and the broader public to raise awareness about the EU development policy.
- The strong concerns of CSOs with the treatment of certain issues in the Consensus, including but not restricted to migration, the lack of reference to measures of genuine progress alternative to growth, the lack of accountability mechanisms for business enterprises and the strong focus on trade liberalisation.

Having said that, CSOs believe the Consensus is extremely important and we will continue working to get our views heard by those involved in the negotiations.

CONCORD

European NGO confederation for relief and development

