CONCORD Contribution to the Public Consultation on the External Financing Instruments of the European Union

PART 1: Summary of recommendations

CONCORD’s views on the Mid-term Review of the EU funding instruments are not easily summarized, since there are many specificities to each instrument, and different strengths and weaknesses to assess in each of their programming and implementation. However, there are some aspects which we as a confederation strongly promote in all EU funding instruments going forward.

A focus on sustainable development untainted by other EU political interests
The EU’s commitment to Policy Coherence for Sustainable Development means other policy areas should be accountable to development goals, not that development cooperation should be put to the service of other policy concerns. Especially with the increased focus on migration in EU development cooperation, this is vital in the design of new programmes which address migration and development, where the human rights of refugees and migrants should be front and center.

The new OECD DAC guidelines on security sector aid should be interpreted restrictively, and the lines between aid and military interventions and the integrity of the objectives of the Instrument contributing for Stability and Peace should be preserved.

Discussions about provisions for increased flexibility under the next Financial Regulation, and the increasing use of Trust Funds as well as the introduction of instruments such as the European External Investment Plan, need to be combined with strict commitments to transparency, monitoring, partner country ownership, and extensive dialogue with stakeholders.

Flexibility and transparency
Continued simplification of rules and procedures is needed to increase transparency and flexibility. The criteria for allocating funds and choosing stakeholders and funding mechanism must be transparent and well founded. Flexibility should not be a goal in itself, but instead weighed against transparency and effectiveness criteria. The focus should be on good planning, monitoring and budgeting practices that reduces the need for non-transparent allocations and reallocations.

The external funding instruments in the future
CONCORD is in a process of preparing for internal and external discussions on the next MFF, so recommendations on future instruments are not developed yet. CONCORD will facilitate an MFF dialogue process within its constituency and would recommend the EC to facilitate multi-stakeholder discussions on the next MFF including also stakeholders from partner countries.
In general, CONCORD would like to see increased EU investment in people-centered development including gender equality, democratic governance and human rights, climate resilience and environmental rights, social security and well-being of all women, men, girls and boys. Initial reflections by CONCORD’s members on the structure and content of the external financing instruments include recommendations such as: upholding thematic programming in graduated countries, more effective methodology for mainstreaming and measuring agreed investment targets for gender equality, health and education, and climate change, further strengthened support to civil society, human rights and peace building, restructuring the GPGC programme of the DCI and consider the SDGs and Agenda 2030 principles when designing this thematic programme towards the future.

**Gender equality**

Ensure that all programmes include both mainstreaming and targeted actions for gender equality, to transform gender roles and change power relations. All new programmes under heading 4 should perform according to the targets committed to in the EU Gender Action Plan, GAP II (85 % scored G 1 or G 2) and G markers and specific codes should be used consistently in all reporting to OECD DAC. Disaggregated data should also be captured on gender for all EU funded programmes.

The budget for gender equality in the GPGC programme of the DCI should be significantly increased from the current 1.5% to at least 20%. Sufficient funding is needed for Sexual and Reproductive Health and Rights (SRHR) and family planning to deliver on Agenda 2030 and GAP II commitments.

Consultations and analyses must take multiple discriminations into account in order to “leave no one behind”.

**Democratic participation and enabling environment for civil society**

The EU should promote meaningful and inclusive participation of CSOs in decision making and structured dialogue, within the country and sector frameworks for government - donor dialogues, and ideally take the lead in coordinating civil society support with other donors. Increase the visibility for the country roadmaps for engagement with civil society, and make sure that protecting and expanding civil society space is a part of institutional culture in all EU delegations, especially in difficult contexts. Respect for civic freedoms and the need for an enabling environment for civil society should be an important focus both in thematic and geographic programmes and in the political dialogue with partner countries.

In case bilateral cooperation is phased out, it is important to maintain support through thematic or cross cutting initiatives for civil society and to human rights defenders.

**Human rights**

All programmes should mainstream a rights-based approach, including aspects of equality/non-discrimination, transparency/ accountability and participation/inclusion in the formulation of objectives and results. Integration of the Human Rights Toolbox remains challenging. Clear targets and indicators are needed, as well as consistent reflection on how to address existing inequalities between stakeholders with regard to access to rights, distribution of resources or level of participation.
In country programmes, not only those countries who have chosen Good Governance as a priority sector should acknowledge governance priorities. Also in other sectors there is a need for effective and democratic governance. In cases where special attention is paid to “vulnerable groups” programming should reflect a rights-based approach where these groups are the active agents of change and participation.

**Transparency and dialogue**
Consultations with stakeholders in all programmes should be systematic and feedback and follow-up from consultation sessions should be improved. We suggest open calendars for the announcement of dialogue opportunities and consultations on the webpage of each EU delegation or thematic programme in addition to the formal invitations of stakeholders and to capacity4dev.eu.

It is good practice to publish forecasts of global and local calls for proposals so that CSOs can prepare in advance and develop stronger projects with stronger partnerships. The EU should publish Indicative Programmes, Annual Action Programmes and Annual Work Programmes in a timely and systematic way, including easily accessible information on calls for proposals.

**Funding opportunities for civil society organisations respecting the right of initiative**
CSOs are main actors in the CSO-LA programme. But also key actors also in the implementation of other thematic instruments/programmes and within country programmes. Each country allocation should include a CSO envelope, and other thematic units in the EU should plan for the involvement of CSOs in strategic roles according to thematic expertise.

EU delegations and HQ units should avoid over-specifying guidelines in calls for proposals because this reduces the right of initiative and affects effectiveness negatively. Support should be ensured through adaptable mechanisms to own initiatives of local civil society and grassroots organisations.

**Funding mechanisms**
The EU should take steps to develop the whole range of funding mechanisms discussed in the Structured Dialogue, and explore a variety of mechanisms to strengthen the support of local civil society organisations, not limited to financial support to third parties. An assessment of the Framework Partnership Agreements is recommended, to ensure that they are implemented in line with ideas on programme funding expressed in the Structured Dialogue. Evaluating and establishing good practices for the use of the mechanism Financial support to third parties, for example on right of initiative for subgrantees and grant beneficiaries, not using set total budget shares, allowing more time and resources, etc.

We strongly recommend evaluating and assessing the added value of demanding large consortia, which has happened in some cases (including but not limited to the DEAR funding). If a large consortia is an own initiative it if of course fine, but working in mega-projects should not be imposed by EU guidelines. It weakens the added value and risks promoting artificial partnerships.
**Simplification and coherent procedures**
Simplification of the grant application and selection procedures, uniformity of approach and transparency on the process would relieve substantial administrative burden from CSOs. A close dialogue between the EU institutions and civil society on the PRAG is important and appreciated. Regular training of all staff programming and managing EC funds (e.g. in EU delegations) in application of these regulations and rules should be ensured. Simplification is generally positive, but convergence of rules between grants and other types of contracts should be analysed carefully to ensure that they do not affect negatively the right of initiative and ownership of grant beneficiaries. In the case of Simplified Cost Options, each Contracting Authority should leave the choice whether to apply it to grant beneficiaries, since SCO are not a de facto simplification for all CSOs.