



Federal Ministry
for Economic Cooperation
and Development



REPUBLIC OF SLOVENIA
MINISTRY OF FOREIGN AFFAIRS

Europe – a Strong Global Partner for Development

Taking stock of the joint 18-month development
policy programme of the German, Portuguese
and Slovenian European Union (EU) Council
Presidencies (January 2007 – June 2008)



The Council's first ever 18-month programme for development policy has been implemented successfully and helped improve the EU's policy coherence. With the priority areas defined by Germany, Portugal and Slovenia for this period and the initiatives they pursued, both jointly and individually during their respective presidencies, the three countries have made a lasting impact on the shape of the European Union's development policy. In the past 18 months, the Community has managed to strengthen **Europe's** financial, economic and political influence **as a global partner for development** in a variety of ways. Europe has further consolidated the importance of development policy as an independent policy field within the EU's external relations and strengthened its forward-looking orientation. Decisive progress has been made with regard to the implementation of the **European Consensus on Development** and the **Paris Declaration** (2005).

The Focus of the three Presidencies

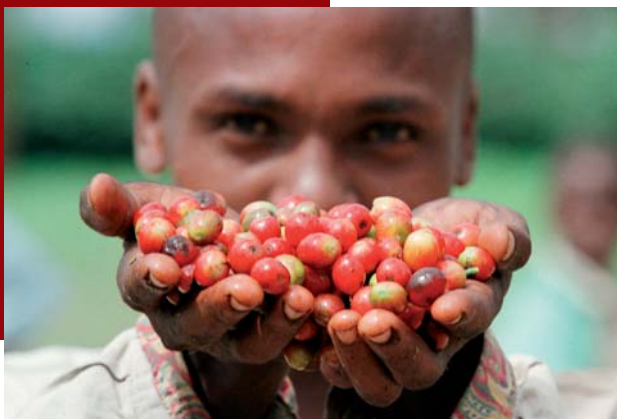
The EU has now taken the lead in enhancing **aid effectiveness**. With the adoption of a **code of conduct on complementarity and division of labour among donors**, an important milestone was reached for EU development cooperation.

The Community is making a definitive contribution towards the targeted, overarching goal of eradicating global poverty and achieving the **Millennium Development Goals (MDGs)**.

Strengthening the **partnership between Africa and Europe** was a particular regional focus of the **three presidencies**.

Africa and Europe are linked by a special partnership based on historical ties. Relations between Europe and Africa were significantly deepened at the EU-Africa Summit in Lisbon in December 2007. With the Joint Africa-EU Strategy, the Action Plan for the Strategy and a joint political declaration adopted at the Summit, the European Union and Africa underlined their will to reinforce and set on a new footing the political dialogue between Africa and Europe in order to jointly address global challenges and strengthen and promote peace and security, human rights, sustainable economic development, regional and continental integration and the achievement of the Millennium Development Goals in Africa.

Moreover, the necessary legal framework allowing the establishment of the **10th European Development Fund (EDF)** was adopted. Substantial progress was also made with regard to the programming process of the 10th EDF. The ratification of the revised **Cotonou Partnership Agreement** with the ACP states is the last step before the implementation of the 10th EDF.



The **Lisbon Treaty**, approved by the Member States during the Lisbon Summit in December 2007, makes important institutional changes in the broader framework of external relations, highlighting the relevance of the policy coherence challenge, particularly in the area of development cooperation, and creating a new institutional framework for humanitarian aid.

In terms of themes, the **three presidencies** devoted their attentions to **development issues of global significance** such as energy, including energy efficiency and renewable energy, climate change and the sustainable management of natural resources, as well as the issue of fragile states, the situation of women and children in armed conflicts, migration, poverty-related and sexually transmitted diseases, women's rights and gender equality.

The negotiations concerning the **Economic Partnership Agreements** were a major focus of the work carried out over the past 18 months.

The EU and the Caribbean Region concluded their negotiations towards a comprehensive Economic Partnership Agreement which has a clear pro-development focus. Interim Agreements with the other regional groups in Africa and the Pacific Region were concluded in time to avoid trade disruption after the termination of the WTO waiver for EU trade preferences to ACP countries. However, we cannot assume that these agreements will have the same positive impact on achieving our development goals as comprehensive regional Economic Partnership Agreements. For that reason, in those cases where interim agreements have been concluded with individual countries, the negotiations towards comprehensive regional Economic Partnership Agreements must be continued quickly in order to ensure their development orientation

In addition, to support developing countries' integration into the world economy, the EU adopted a strategy to increase funding and improve delivery of trade-related development cooperation (**Aid for Trade**).

Priority areas of the German EU Presidency

Division of Labour

In order to improve the efficiency, impact and visibility of European assistance, the EU adopted a code of conduct for complementarity and division of labour in development policy. In doing so the EU is making an essential contribution towards implementing the 2005 Paris Declaration on Aid Effectiveness. The aim of the code of conduct is to reduce the fragmentation of the donor landscape that can be seen in many partner countries and the duplication of assistance efforts that this entails. At a supranational level, improved division of labour can help ensure more attention for countries that have not received enough assistance hitherto. Essential elements of the code are therefore increased concentration on the part of the donors on fewer partner countries and, within the partner countries, concentration on a maximum of three topical areas, plus sensible, coordinated division of donors based on their respective special experience and skills. Improved planning and coordination overall is to be achieved via more in-depth exchanges of information. The implementation of the code began in 2007, on a voluntary basis, using a flexible, country-specific approach taking into account individual needs in close cooperation with each partner and the actors involved.

Economic Partnership Agreements

The German Presidency played a major role in ensuring that decisive progress was made in key negotiating areas in the negotiations concerning pro-development Economic Partnership Agreements. An intensive and direct dialogue was conducted with the EU's ACP partner countries, which helped strengthen the mutual trust needed for the negotiations.

All ACP countries that have signed up to an Agreement or will do so in the future will receive tariff- and quota-free access to the EU market for all products. Transition periods for two sensitive products – rice and sugar – will last until 2010 and 2015 respectively. The ACP countries, on the other hand, may open their markets gradually with long deadlines (in exceptional cases up to 25 years). Sensitive sectors may be completely exempted from liberalisation. The ACP countries will receive support in the form of development cooperation funding to help them in implementing the Agreements and adapting to the new trade regimes e.g. through private sector promotion or institutional development.

Africa-EU Energy Partnership

The new energy partnership, which is also a component of the joint Africa-EU Strategy, is centred around sustainable development. It covers two aspects: 1) reducing poverty in Africa; 2) helping with climate protection and securing energy supplies on both continents. Priority will be given to supporting energy provision that is environmentally sound and sustainable.

Essential elements are: strengthening the dialogue on energy security; promoting a favourable climate for investment in the energy sector and increasing the level of investment, particularly in renewable energies and energy efficiency; using revenues from oil and gas exports for development, increasing transparency; and taking climate change into account and making the necessary adjustments. Energy and development policy goals will thus be harmonised.

Gender Equality

The adoption of Council Conclusions on Gender Equality represented a further consolidation of existing commitments, creating political and operational parameters for integrat-



ing and consistently taking account of gender equality in all areas of the development policy of the European Commission and the Member States and its subsequent implementation. They offer a point of departure for addressing gender equality more effectively in the context of Aid Effectiveness, including the division of labour, Financing for Development, the upcoming UN MDG Review and more specifically the EU Agenda for Action on the MDGs.

Combating HIV/AIDS, Malaria and Tuberculosis

The EU strategy on combating HIV/AIDS was realigned to meet new challenges: enhanced protection of women and girls, increased funding for the fight against AIDS, tuberculosis and malaria, and greater support for health systems in the affected countries. Also important in this context is the agreement reached on a European directive to reduce the poaching of medical personnel.

Priority areas of the Portuguese EU Presidency

Policy Coherence for Development

Twelve thematic areas were defined in 2005 as a matter of concern in all of the EU work. During the Portuguese Presidency there was progress in various of these thematic areas, and Council Conclusions were adopted on horizontal and organisational issues.

Council Conclusions on *Migration and Development* included: support to help developing countries in strengthening their migration management; addressing mobility; facilitating the transfer of remittances; and further developing voluntary tools and mechanisms intended to increase coherence between migration and development policies.

Concerning *Climate Change in developing countries*, the Council adopted Conclusions welcoming the Commission's proposal to establish a Global Climate Change Alliance (GCCA) between the European Union and poor developing countries most vulnerable to climate change. These Conclusions were a relevant contribution for the Bali Conference last December.

Development and Defence Ministers adopted Conclusions on *Security and Development* during their first-ever joint session. These Conclusions acknowledge the link between security and development and reiterate that there cannot be sustainable development without peace and security, and that without development and poverty eradication there will be no sustainable peace. This nexus between development and security should inform EU strategies and policies in order to contribute to the coherence of EU external action and to build synergies between cross-cutting issues such as human rights, gender, promotion of democracy, governance, the rule of law and environmental sustainability.

The *European Consensus on Humanitarian Aid*, agreed between Member States, the European Parliament and the European Commission in December 2007, establishes for the first time the vision, the common principles and good practices, and the action framework for delivering humanitarian action.

The Consensus also indicates that EU humanitarian aid has to become more accountable for long-term development objectives and should generally be linked to development co-operation.



EU Response to Situations of Fragility

The EU developed a response to situations of fragility as they pose a major challenge to sustainable development and peace. The EU should make more coherent use of the full range of tools and mechanisms, and combine political, diplomatic, development, security and humanitarian instruments in order to promote the achievement of the MDGs in these particularly challenging environments. Testing the EU response to situations of fragility has already started in pilot countries.

EU-Africa Dialogue

The Portuguese Presidency played a major role in strengthening the political dialogue between the EU and Africa, namely through the organisation of the EU-Africa Summit in Lisbon in December 2007.

Furthermore, in November 2007, the Council adopted Conclusions on the future of relations between the European Union and the Republic of Cape Verde, indicating that relations between the two parties should be deepened for the development of a “Special Partnership” aimed at strengthening dialogue and policy convergence. The Council pointed out that this process is compatible with further progress made by Cape Verde in deepening its regional integration within ECOWAS.

Priority areas of the Slovenian EU Presidency

Millennium Development Goals

In light of progress made in some countries and areas, the EU is convinced that the MDGs can still be attained in all regions of the world, provided urgent action is taken. Therefore, the EU reconfirmed its commitment and adopted comprehensive Council conclusions for speeding up progress towards the MDGs. Important issues addressed in this regard are ownership, the inclusion of MDGs in relevant development policies and strategies as well as the involvement of civil society organisations, private sector and local authorities, while building on the principles of gender equality and empowerment. The EU will continue to foster and support partner countries' efforts to these ends. Of importance will be the MDG High-Level Event at the United Nations in New York in September 2008. The EU prepared an EU Agenda for Action on the MDGs, which identifies specific milestones and actions in specific key areas that will contribute to and ensure the achievement of the MDGs by 2015.

Aid Effectiveness

Since division of labour is something that must be directed by the governments in the EU's partner countries and that must also inevitably involve donors from outside the circle of EU member states, the next step is for the principles of the EU code of conduct to be discussed and transformed into internationally accepted good practice principles. A suitable forum for this is the High-Level Forum on Aid Effectiveness, which will take place in Accra (Ghana) from 2-4 September 2008. The EU therefore adopted Council Conclusions stating core issues which it deems important to be reflected in the Accra Agenda for Action (AAA), namely: division of labour among donors, predictability of aid, enhanced use of coun-

try systems, capacity development for aid management and mutual accountability for development results.

Women and Children in Armed Conflict

The Slovenian Presidency attached great importance to the issue of women and children in armed conflict and carried on the efforts in addressing fragile situations and enhancing synergy between security and development. The main objective was to achieve progress on the ground in order to improve the situation of children and women as the most vulnerable groups in armed conflict. To this end, two studies were presented dealing individually with the dimensions of children and women. Council Conclusions on the aspect of children were adopted. These Conclusions focused on the development and humanitarian dimension of the EU's external action concerning children and paid special attention to children affected by armed conflict.



The issue of women and armed conflict was also discussed by the EU Development Ministers. They emphasised the need for EU development policy as well as peace-keeping missions to increasingly take into account the situation of woman in conflict, their participation and empowerment in conflict prevention and resolution, peace-building, reconstruction and development. Ministers underlined the necessity to pursue efforts and dialogue within the EU and with the international community to strengthen political leadership and the implementation of global responses, including the implementation of UNSCR 1325 as well as the review of the European Security Strategy.

Future outlook

The aim of the **High-Level Forum on Aid Effectiveness** should be to adopt concrete, binding and verifiable commitments for partners and donors. The EU – as the world's leading donor – will be a driving force here, making vital contributions towards the achievement of this goal on the basis of the Council Conclusions adopted in May 2008.

The issue of **rising food prices** is another example of an issue that needs to be tackled coherently in order to maximise the impact of EU collective action. In May 2008, the Council decided to thoroughly review opportunities for short- and long-term actions to address the causes and impacts of the crisis and improve the world food situation. As a matter of principle, EU support will be provided within the framework of countries' own policies and strategies.



Establishing **coherence** between development policy measures and other areas of European policy, especially agricultural and trade policy, will continue to be an important concern for future presidencies. The guiding principle of coherence is particularly evident in the Economic Partnership Agreements, in which trade and development policy instruments are meant to be linked together in a coherent manner, in order to promote sustainable development in the ACP countries.

Meeting European commitments with regard to development funding (**gradual increase in ODA**) will also continue to be a primary goal for upcoming Council presidencies. The EU needs to step up its efforts in order to achieve the proclaimed interim goal of 0.56% by 2010. Innovative financing instruments have an important role to play here. Of major importance is the review **conference on financing for development** scheduled to take place in **Doha** at the end of 2008.

One of the most important ambitions for the forthcoming presidencies will be to ensure the deepening of the political relationship and dialogue with Africa, in particularly through the **implementation of the Joint Africa-EU Strategy**.

In addition to that, in the next few months, the focus of attention will increasingly be on the **implementation of the Lisbon Treaty**. The restructuring of the EU's external relations set-up will, in particular, have a major impact on the future shape of EU development cooperation architecture. The goal here will be to maintain **EU development policy as a distinct policy** area so that it can play a strong role for sustainable global development.

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