

# all change for european development policy?



Now is the time for the UK to take the lead on the European and world stage in setting a progressive, multilateral environment and development agenda, says **Tony Long**.

The opening months of 2005 would be hard to beat for sheer quantity and breadth of EU policy initiatives underway on overseas development. Some of these initiatives, like the seven-year review of the EU's financial perspectives, or the forthcoming assessment of the EU's 2002 Financing for Development (Monterrey) commitments, go to the heart of the EU budget. They will determine the amounts of money that will be available for development in the 2007-13 period.



Others are the 'softer' policy directions to be undertaken in the name of sustainable development, including the sustainable development strategy review previewed in a Commission communication published in February 2005. Still others will set the direction of EU development policy, for instance the EU position for the Millennium Development Goals review in September, or the review of the EU's 2001 development policy, for which a consultation is currently underway.

Many of these initiatives will require decisions - or at least deft political leadership - during the UK government's presidency of the European Council in the second part of 2005. And with Africa as one of the chosen themes of the government's priorities, the timing could not be more propitious. In one way or another, all the above will have a real significance for the country and regional strategy papers that deliver the EU's development assistance. In fact, with climate change being the other priority, what better time for the UK to take a leading role on the European and

world stage in setting a progressive, multilateral environment and development agenda for Europe's external relations?

The European Union aid budget taken together with the member states accounts for more than half of all OECD aid. But this aid effort continues to be a messy sum of parts rather than a coherent whole. One of the most pressing deficiencies is the failure of many, although not all, of these European aid agencies to understand and to act upon poverty and environment linkages.

Bilateral as well as multilateral programme lending and general budgetary support over the past two decades have failed in large measure to increase the competitiveness of the small to medium-size rural producers who account for the 70 per cent of the world's poor. These groups have found little option but to increase pressure on natural resources assets to try to maintain living standards.

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In the meantime, their access to these resources is increasingly jeopardised by large, intensive natural resource extraction activities – for instance, agriculture, fisheries, timber, and water extraction – undertaken at a frenetic pace, and often illegally, to meet an insatiable global demand.

The EU has multiple layers of commitment to sustainable development. They start with the Treaty of Nice but also include the development policy statement adopted in 2001 and the Cotonou Agreement with the 77 African, Caribbean and Pacific (ACP) countries signed in June 2000. Many of these countries are the poorest in the world measured by per capita income. The EU is ideally placed to understand and act upon this cycle of environmental and social neglect. But a survey commissioned by the European Commission in 2002 shows an opposite story. Of the 60 EU country strategy papers reviewed, only six included a country environmental profile and just three were

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accompanied by a strategic environmental assessment.

But country and regional programming is only part of the story. One of the more intractable problems shared not only by the EU but also all member states is the failure to understand and tackle the ‘spill-over’ effects of national and regional policies on prospects for international development. Despite the bold attempt of the last UK presidency to give meaning to the Treaty requirement for environmental protection to be integrated into all EU policies, the so-called ‘Cardiff process’, the fact is that it has not happened. The EU’s most entrenched and powerful

common policies – agriculture, trade and fisheries to name but three – still lack a coherence with the objectives of development policy, which no amount of Council declarations of good intent has so far been able to overcome.

So what more precisely will we be looking for the UK presidency to achieve in its brief tenure? Bearing in mind the report of the UN Millenium Project under Professor Jeffrey Sachs in January 2005, this is the year in which political will and political action must be shown at the highest level to have any chance of meeting the Millenium Development Goals. What can the UK do to face the EU in the right direction to achieve 2015 targets?

First, given the depressing lack of integration of the environment in country and regional strategy papers noted earlier, the UK must use the Millenium Development Goals +5 review taking place in September to shake up the programming process. Specifically, the Council should set the directions in EU programming to show how target 9 of MDG 7: to integrate the

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**“...new life has to be breathed into the EU’s sustainable development strategy...”**

principles of sustainable development into country policies and programmes and reverse the loss of environmental resources, will be implemented in EU external policies and financial instruments.

Second, the review of the EU development policy due to be unveiled after the summer is an opportunity for the fragmented European aid effort to begin to be concentrated into a more effective whole. This would entail forging a common ground between the EU and European bilateral agencies on their understanding of poverty and environment linkages. The shared analysis in the Development Policy

review should in turn lead to the promotion of sustainable natural resource use as a focus of aid for countries whose economies and rural livelihoods are heavily dependent on resource extraction.

Third, new life has to be breathed into the EU’s sustainable development strategy, first adopted in Gothenburg in June 2001. Unlike that first attempt, the strategy now clearly has an external relations dimension. First discussions of objectives, targets, milestones and monitoring arrangements are foreseen under the UK’s term as Council president. Turning the whole strategy in the direction of achieving the MDGs, including getting greater coherence of EU internal policies for their external impacts - and perhaps also involving ‘quick wins’ as proposed by the UN Millenium Project - would be a major achievement for the UK.

Last, but not least, money for development. The UK government would strike an enormously important deal for international environmental diplomacy if it were able to propose

and safeguard a thematic line for environmental co-operation in the external dimension of the EU’s financial perspectives. As currently conceived, budget lines for development will be mainly geographically driven. But Europe and developing countries will need resources to address global environmental governance issues that cannot - or simply will not - be expressed through country and regional strategies. These would include compliance with, and monitoring of, multilateral environmental agreements, capacity building for developing countries to prepare for, and participate in, international fora, and support for governmental and non-governmental organisations actively promoting sustainable development.

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