

# Understanding EU Development Cooperation

*Development Cooperation of the European Community  
Institutions – Structures – Procedures*





**EU-PLATFORM**

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## Legend:



Link to World Wide Web



NGOs in action



Practical experience



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## Foreword

Development Cooperation is a shared policy area. This means that the Member States of the European Union (EU) as well as the European Community represented by the European Commission are accountable. In 2004 the Austrian contribution to the development aid budget of the European Community was around twice as high as the budget of the Austrian Development Agency (ADA) (BmaA 2005:63). "The deepening of the European Union also leads to a further integration of the Development Policy of the Member States" (BmaA 2005:35). This shows the importance of Development Cooperation within the European Community.

Civil society's participation and control at EU level is important. Through their membership at the Austrian EU-Platform, Austrian development NGOs are part of CONCORD, the EU network of development NGOs, representing more than 1600 NGOs throughout the EU. At the EU level, CONCORD assumes the necessary watchdog-role on behalf of its members.

This publication aims to explain to a broader range of actors in NGOs how Development Cooperation is organised in Brussels. It is meant to motivate NGO staff outside Brussels to actively engage in the ongoing dialogue with the EU Institutions and to enable them to use and share their knowledge about the Institutions in their daily work and with their partners in the developing countries.

The first part explains the structures of the EU. The second chapter delivers the legal, political and financial basics of Development Cooperation of the European Community. Then the structures of Development Cooperation within the respective EU Institutions are being looked at and finally decision making in the sphere of Development Cooperation is illustrated.

The content of this publication is based on extensive and in-depth research and informal interviews with staff of the EU Institutions. Due to constant changes within the EU's working system and legislation, we will not accept responsibility or liability whatsoever for the information in this brochure. For those who want more information, links to the World Wide Web are provided. An online version of this publication is available at [www.eu-plattform.at](http://www.eu-plattform.at). Also available online and in print version is our glossary for background and additional information on terms and abbreviations regarding EU Institutions and structures titled "EU-Entwicklungszusammenarbeit verstehen" (only in German language).

The Austrian EU-Platform wishes you a pleasant reading!

# Structures of the EU

## European Community and European Union

Incorrectly, the European Community (EC) is often understood solely as the predecessor of the European Union (EU). However, both terms are still in use, having different meanings. In 1992 the Treaty of Maastricht, also known as the Treaty on European Union (TEU) established the EU. This Treaty did not only introduce new forms of cooperation between the Member States' governments, but also merged the old forms of cooperation by creating a new structure with three pillars. (Graph 1)

### The European Communities

- European Economic Community (EEC)
- European Coal and Steel Community (ECSC)
- European Atomic Energy Community (EURATOM)

Pillar I:	Pillar II:	Pillar III:
<b>European Communities (EC, EURATOM, ECSC)</b>	<b>Common Foreign and Security Policy (CFSP)</b>	<b>Police and Judicial Cooperation in Criminal Matters (PJCC)</b>
<p><u>EC:</u></p> <ul style="list-style-type: none"> <li>• Customs Union /Single Market</li> <li>• Economic and Monetary Union</li> <li>• Agricultural Policy</li> <li>• Asylum / Immigration / Schengen</li> <li>• Tax Policy</li> <li>• Employment</li> <li>• Trade Policy</li> <li>• Social Policy</li> <li>• Education / Youth / Culture</li> <li>• Consumer Protection / Health</li> <li>• Trans-European Networks</li> <li>• Industry</li> <li>• Economic and Social Cohesion</li> <li>• Research and Technology</li> <li>• Environmental Policy</li> <li>• Development Cooperation</li> </ul> <p><u>EURATOM:</u></p> <ul style="list-style-type: none"> <li>• Nuclear Energy</li> </ul> <p><u>ECSC:</u></p> <ul style="list-style-type: none"> <li>• Pooling of Coal and Steel</li> </ul>	<p><u>Foreign Policy:</u></p> <ul style="list-style-type: none"> <li>• Political Cooperation</li> <li>• Election Monitoring, European Rapid Reaction Force</li> <li>• Conflict Prevention and Peace Keeping</li> <li>• Human Rights</li> <li>• Democracy</li> <li>• Foreign Aid</li> </ul> <p><u>Security Policy:</u></p> <ul style="list-style-type: none"> <li>• European Security and Defence Policy (ESDP):</li> <li>• European Battle Groups</li> <li>• Demobilisation and Disarmament</li> <li>• European Security Strategy</li> </ul>	<ul style="list-style-type: none"> <li>• Cooperation in Penal Matters</li> <li>• Police Cooperation</li> <li>• Fight against Drug Trafficking and Weapons Smuggling</li> <li>• Fight against Organised Crime</li> <li>• Fight against Terrorism</li> <li>• Fight against Trafficking of Human Beings and Abuse of Children</li> <li>• Fight against Racism and Xenophobia</li> </ul>
<b>Supra-Nationality</b>	<b>Inter-Governmental Cooperation</b>	<b>Inter-Governmental Cooperation</b>

Graph 1: Pillars of the European Union

The first pillar, also called the "Community Pillar", is the heart of the European Union and represents the supra-national level. This means that decision making competencies of the Member States are taken over by the EU Institutions and result in EU law.

The second pillar is concerned with the "Common Foreign and Security Policy" (CFSP) and pillar three refers to the area of "Police and Judicial Cooperation in Criminal Matters" (PJCC). Both pillars represent "intergovernmental pillars"; which means that the 27 Member States' governments work together closely, but decisions are not made at the European level.



Since the accession of Bulgaria and Romania in January 2007 Magdalena Kuneva (Bulgaria) and Leonard Orban (Romania) hold the newly created posts of Commissioners for Consumer Protection and Multilingualism.



**European Commission:**  
[http://www.europa.eu.int/comm/index\\_en.htm](http://www.europa.eu.int/comm/index_en.htm)



**European Parliament:**  
<http://www.europarl.eu.int>  
**Annual calendar of work of the EP:**  
<http://www.europarl.europa.eu/activities/public/staticDisplay.do?language=EN&id=102>



With the next European Elections in 2009 the number of MEPs will be reduced to 736.



**Council of the EU:**  
<http://ue.eu.int>

## Institutions and Bodies of the EU

### The European Commission (EC)

The European Commission consists of 27 “Commissioners” – one from each Member State, appointed for a five-year term of office. The President of the European Commission is designated by the 27 Heads of States and after acceptance of the European Parliament has to set up her/his team of Commissioners, which again has to be approved by the European Parliament. The current Commission, presided over by President José Manuel Barroso has been in office since 2005. It must act in political independence of national governments and parliaments. The Commissions’ staff is organised in so called Directorates General (DGs).

#### The European Commission

- proposes (Development Policy) legislation to Parliament and Council
- formulates a steady flow of Development Cooperation Policies by way of Communications
- sets up and manages the budget
- ensures the implementation of its (Development) Policy
- attempts to coordinate and harmonise the 27 national (Development) Policies
- leads negotiations with third countries on behalf of the EU (eg. accessions, associations, and international agreements)

### The European Parliament (EP)

The EP with its 785 representatives (Members of Parliament – MEPs) from 27 Member States is the only institution directly elected by European citizens. Elections, which last took place in 2004, are held every five years. Hans-Gert Pöttering was named president of the EP on January 16, 2007. On the same day a new, eighth political group was founded<sup>1</sup>. Parliament’s work is organised in 20 standing committees. MEPs usually spend two weeks per month in committee meetings and so-called inter-parliamentarian delegations. Another week is devoted to meetings of the political groups. Plenary meetings in Strasbourg are held twelve times per year for four days each and another six times in Brussels for two days. Four weeks of the year can be used by the MEPs for work in their home constituencies.

#### The European Parliament

- passes legislation together with the Council in most EU policy areas<sup>2</sup>
- takes up issues on its own initiative
- exercises an important democratic supervision by way of questions, hearings, debates etc. over the European Commission and the Council
- holds the so-called “Power of the Purse”, meaning that it has the right to reject the overall budget of the EU
- holds the right to Co-decision in cases of associations and accessions
- has to approve and the power to dismiss the Commission (as a whole)
- is only partly engaged in CFSP and PJCC

### The Council of the European Union (Council)

The Council of the EU represents the interests of the Member States and is the most important decision making body of the EU. At Council meetings, which usually take place in Brussels, the respective ministers related to the subjects on the agenda convene. There are nine different Council configurations. (e.g. GAERC – General Affairs and External Relations, ECOFIN – Economic and Financial Affairs, Agriculture and Fisheries etc), which make decisions related to their specific policy areas.

#### The Council of the EU

- passes (mostly together with the EP) European laws
- approves the overall budget (together with the EP) and decides upon the budget chapter “compulsory expenditure”<sup>3</sup>
- replenishes the European Development Fund (EDF)
- concludes international agreements

<sup>1</sup> European People’s Party (Christian Democrats) and European Democrats (EPP-ED, 277 MEPs), Socialist Group (PSE, 218 MEPs), Alliance of Liberals and Democrats for Europe (ALDE, 106 MEPs), Greens/European Free Alliance (Greens/EFA, 42 MEPs), European United Left – Nordic Green Left (GUE/NGL, 41 MEPs), Union for Europe of the Nations (EUN, 44 MEPs), Independence/Democracy Group (ID, 23 MEPs), Identity, Tradition and Sovereignty Group (ITS, 20 MEPs), and Non-Attached (14 MEPs).

<sup>2</sup> Not applicable for e.g. Agricultural or Economic Policy.

<sup>3</sup> “Compulsory Expenditure” is expenditure arising from the Treaties. Examples are agricultural expenditures, expenditures related to fisheries agreements or to the EURATOM. It equalled more than a third of the overall budget in 2006.

- develops the CFSP and ESDP (European Security and Defence Policy)
- coordinates PJCC

### The European Council

The European Council is the highest ranking body of the EU. Four times per year, the presidents and/or prime ministers of the 27 Member States plus the President of the Commission and the EU's High Representative for the CFSP meet. The themes on the agenda depend mostly on the priorities of the current Presidency, which organises the meetings.

#### The European Council

- decides upon the general political direction of the EU
- gives impulses for a further development of the EU
- cannot pass resolutions itself, but may make decisions obliging Member States to act or the Commission to initiate the respective legislation procedure
- coordinates the CFSP

### The Court of Justice (CJ)

The Court of Justice is based in Luxemburg. It consists of one judge per Member State and eight "Advocates General", who are appointed for six years by joint agreement between all Member States.

#### The Court of Justice

- rules in cases of litigation referring to the application of EU legislation in the so-called "preliminary ruling"
- ensures that EU legislation is interpreted and applied equally in all Member States
- supports the EP and Council in supervising the budget

### The European Economic and Social Committee (EESC)

The 344 members of the EESC, who represent "European Civil Society" (in three groups: employees, employers, and various interests) are appointed by the Council of the EU every four years. Daily work is organised in sections (e.g. REX – for External Relations).

#### The European Economic and Social Committee

- has to be consulted by the Commission or Council on matters of economic and social affairs
- may draft reports on its own initiative
- tries to strengthen civil society in and outside of the EU (for example also in Africa)

### The Committee of the Regions

The Committee of the Regions meets five times per year and also consists of 344 members, who are mainly mayors and regional politicians appointed by their national governments.

#### The Committee of the Regions

- has to be consulted by the Commission when proposals have repercussions at regional and local level
- can draw up opinions on its own initiative



#### European Council:

[http://europa.eu/european\\_council/index\\_en.htm](http://europa.eu/european_council/index_en.htm)



**ATTENTION:** The Council of Europe is an international organisation outside the EU and must not be confused with neither the European Council nor the Council of the EU!



#### European Court of Justice:

<http://www.curia.eu.int>



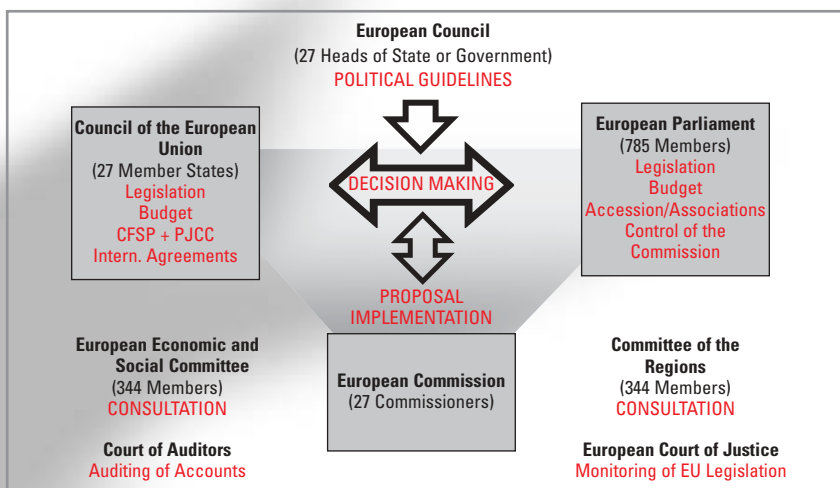
#### European Economic and Social Committee:

<http://eesc.europa.eu/>



#### Committee of the Regions:

<http://cor.europa.eu/en/index.htm>



Graph 2: Bodies of the EU

# Structures of the European Development Cooperation



*In 2004, the EU, that means the Member States and the Community together, provided 43.3 billion EURO for development aid. This equalled 55% of global development aid. A fifth of it (around 6.9 billion EURO) is administered by the European Commission (KOM 2005:3).*

*This part will diminish if the Member States live up to their commitment to increase their bilateral ODA to 0.7% of GNI until 2015.*

*The European Infrastructure Fund is a mechanism created by the Commission to combine bilateral ODA funds. NGOs are critical to an increased administration of funds by the EIB.*

Development Cooperation is a policy area of the European Community and thus within the supra-national or Community pillar of the EU. A particularity of Development Cooperation is its complementarity. The significance of this is that EC Development Cooperation complements, rather than replaces Member State's efforts. The European Community represented by the European Commission is therefore the 28th donor of development aid with its own budget, policies, and programmes. This publication concentrates on the Development Cooperation of the Community (represented by the Commission). Whenever the efforts of all Member States AND the Community are being referred to, the term EU is used.

In practice, Development Cooperation of the EC comprises a lot of different forms and sizes. There is long-term bilateral cooperation with local governments (via direct budget support) as well as multilateral Development Cooperation (via financial contributions to international organisations) and co-financing of Non-Governmental Organisations within and outside the EU plus short-term humanitarian aid. In the future, the EC wants to engage more in direct budget support.

## Key Documents

The European Community has defined the general principles, objectives, areas of interventions etc. of its Development Cooperation. The key documents related to Development Cooperation are:

- the Treaty on European Union
- the "European Consensus"
- the Cotonou Agreement

## Development Cooperation in the Treaty establishing the European Community (TEC)

The contractual terms of Development Cooperation, namely objectives, principles and procedures are found in the consolidated version of the Treaty Establishing the European Community, which forms part of the Treaty on European Union. They comprise four articles under Title XX – Development Cooperation.

Article 177 establishes the complementary character of the Development Cooperation of the EC with that of the Member States, and names the objectives and international

### Abridged version of the TEC: Goals of the Development Cooperation of the Community

#### Artikel 177

- (1) Community policy in the sphere of development cooperation, which shall be complementary to the policies pursued by the Member States, shall foster:
- ... the sustainable economic and social development of the developing countries, and more particularly the most disadvantaged among them;
  - ... the smooth and gradual integration of the developing countries into the world economy;
  - ... the campaign against poverty in the developing countries.
- (2) Community policy in this area shall contribute to the general objective of developing and consolidating democracy and the rule of law, and to that of respecting human rights and fundamental freedoms. (...)

#### Article 178

The Community shall take account of the objectives referred to in Article 177 in the policies that it implements which are likely to affect developing countries.

#### Article 179

- (1) Without prejudice to the other provisions of this Treaty, the Council, acting in accordance with the procedure referred to in Article 251, shall adopt the measures necessary to further the objectives referred to in Article 177. Such measures may take the form of multiannual programmes (Official Journal 2002).



**Treaty Establishing the European Community:**

[http://europa.eu.int/eur-lex/en/treaties/dat/EC\\_consol.html](http://europa.eu.int/eur-lex/en/treaties/dat/EC_consol.html)



commitments made in the context of the United Nations. Article 178 obliges the European Community to take account of its objectives – poverty eradication, gradual integration into the world economy, sustainable economic and social development – “in the policies it implements which are likely to affect developing countries” (Policy Coherence). Article 179 defines the Co-decision procedure (Graph 8) for the legislation processes in Development Cooperation. Article 180 refers to the coordination between the European Commission’s and the Member States’ Development Cooperation policies. Article 181 lays the groundwork for conclusions of agreements with third countries or international organisations (European Community 2002:109f.).

### **The “European Consensus” of Development Cooperation**

The “European Consensus” (KOM 2005a) is a policy statement of the European Commission, Council and European Parliament signed in 2005. It does not only contain the objectives, values and principles of EC Development Cooperation, but also common principles of the 27 national Development Cooperation Policies in order to promote harmonisation and coordination. Poverty eradication is reinforced as the overall objective of Development Cooperation.

The Consensus is politically binding, but not judicially. This means that compliance is not enforceable before the European Court of Justice. Nevertheless, the European Consensus constitutes the basis for future financing instruments of the EC and a more consensual cooperation between the EU Institutions.

#### **The European Consensus:**

##### **Areas of Community Action based on comparative advantages of the Commission:**

- Trade and Regional Integration
- Environment and the Sustainable Management of Natural Resources
- Infrastructure, Communications and Transport
- Water and Energy
- Rural Development, Territorial Planning, Agriculture and Food Security
- Governance, Democracy, Human Rights, and Support for Economic and Institutional Reforms
- Conflict Prevention and Fragile States
- Human Development (Official Journal 2006)

### **The Cotonou Agreement**

The Cotonou Agreement was ratified in 2002 and constitutes a peculiarity in development cooperation. This partnership agreement between the 79 ACP Countries (African, Caribbean and Pacific) and the EC and the Member States was concluded for 20 years and builds the legal and financial basis for the EC’s Development Cooperation and the respective part of its budget, accounting for about a third of the overall funds for Development Cooperation. It is unique because of its tradition, its focus on poverty eradication and the obligation of the parties to include civil society.<sup>4</sup>

The Cotonou Agreement encompasses development cooperation, trade and foreign policy. Its main economic focus is on the EPAs (Economic Partnership Agreements) between the EU and 6 ACP-Regions (Caribbean, Pacific, South-, Central-, East-, West Africa), which by de facto constitute free trade areas. In the sphere of external policies, an on-going political dialogue on the issues of good governance, corruption, migration, asylum, the proliferation of arms and coherence is supposed to expand. Other focal areas are conflict prevention and peace building (see ECDPM 2003).

#### **Other International Agreements**

The European Community has concluded agreements with many countries and regions of the world as well as with international organisations (e.g. Agreement with Mediterranean Countries, Agreement with the Republic of South Africa). They usually cover different areas like fisheries or customs duties etc. Often these agreements only contain a very small development dimension. This neglect may however hamper the development of a country. The implications of these agreements should therefore not be underestimated by DG DEV and other bodies dealing with development cooperation.



#### **European Consensus:**

[http://eur-lex.europa.eu/LexUriServ/site/en/oj/2006/c\\_046/c\\_04620060224en00010019.pdf](http://eur-lex.europa.eu/LexUriServ/site/en/oj/2006/c_046/c_04620060224en00010019.pdf)



*NGOs were successful in their lobbying efforts in order to change the wording “to alleviate negative impacts of globalisation” into a formulation, which reinforces poverty eradication as the overall objective of development cooperation.*



#### **Cotonou Agreement:**

[http://ec.europa.eu/development/ICenter/Pdf/agr02\\_en.pdf](http://ec.europa.eu/development/ICenter/Pdf/agr02_en.pdf)



#### **List of all existing international agreements:**

<http://eur-lex.europa.eu/en/accords/accords.htm>

<sup>4</sup> The Cotonou Agreement succeeds the Joundé (1964-1975) and Lomé (1975-2000) Agreements.



*The Austrian contribution to the Community's aid budget is fixed at 2.45% of the overall budget of the EU and 2.65% of the EDF (BMAA 2005:34).*



**List of all ODA recipient countries:**

<http://www.oecd.org/dataoecd/43/51/35832713.pdf>



*In December 2005, the EU Member States committed 22.682 billion EURO to the 10th EDF for cooperation with the ACP countries from 2008 to 2013.*



*On April 4, 2006, Council, Parliament and Commission reached a compromise on the Financial Framework for 2007 to 2013. The ceiling for expenditure of the EU was fixed at 864.4 billion EURO.*

## Money, Money, Money...

Since Development Cooperation is a policy area of the European Community one could imagine that the funds for it stem from the EU's budget for development aid.

But Development Cooperation with the ACP countries constitutes an exemption to that with other geographical areas like Latin America, Asia, Northern Africa and Eastern Europe. The necessary moneys for the implementation of the Cotonou Agreement stem from the so-called European Development Fund (EDF), set up to finance this very agreement.

Funds for the Development Cooperation of the European Community stem from two sources:

- the EU budget
- the European Development Fund (EDF)

### Official Development Assistance – ODA

For a long time, development funds were divided in Official Aid – OA, going to middle-income and Eastern European Countries, and Official Development Assistance – ODA, going to so-called developing countries. The statistics of the European Commission used External and Community Aid as umbrella terms for ODA and OA.

Since 2006 a new classification is being used. OECD's Development Assistance Committee (DAC) has identified 156 countries at very different economic levels as "ODA beneficiary countries". These range from Least Developed Countries with an annual GNI per capita of less than US\$ 750 to Upper Middle Income Countries and Territories with an annual GNI per capita of up to US\$ 10,065. (OECD 2005)

Therefore one has to look closely in order to detect the real poverty focus of ODA measures.

### The European Development Fund (EDF)

The European Development Fund (EDF) is replenished every 5 years by the Member States according to an agreed financing quota. The amount each Member State contributes refers to Gross National Product and historical links to the ACP Countries amongst others. Two financing instruments are being used for implementation. The first instrument uses grants for sector programmes, debt cancellation, integration etc. The second instrument, endowed with far less money, is administered by the European Investment Bank (EIB) and consists of loans to foster private investment (see ECDPM 2003:15ff).

### The EU Budget

All geographic funds for Non-ACP countries as well all thematic development programmes (e.g. non-state actors, environment, food security) serving all developing countries are financed by the "normal" EU budget.

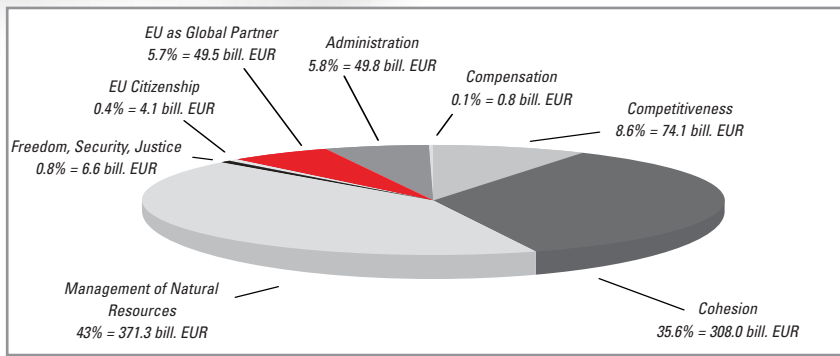
The Financial Framework (FF) establishes the overall budget of the EU for a period of seven years through an Inter-institutional Agreement between Parliament, Council, and Commission.

At the same time the budget-cake has to be cut and policy areas and instruments have to be defined (Graph 3). Development Cooperation is part of Heading 4 "The EU as Global Partner", for which 49.5 billion EURO have been budgeted for 2007 – 2013. This equals 5.7% of the overall budget.<sup>5</sup>

Development funds (ODA) are distributed through programmes. The objectives, amounts, and duration of these programmes are established by legal provisions called Regulations. These are called Financing Programmes, and come into force by way of legislation procedures (Graph 8). They are deducted from Development Cooperation Policy according to the Treaty establishing the European Community or the European Consensus.

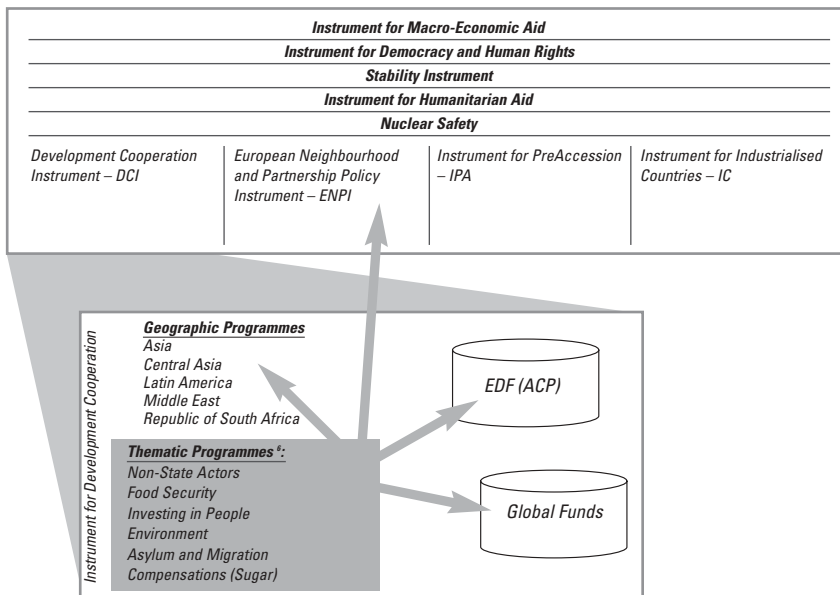
In 2004, when negotiations for the Financial Framework 2007 – 2013 started, efforts to reform the structure of the aid budget were undertaken in order to reduce the number of

<sup>5</sup> Not containing funds for Macro-economic Aid, Foreign and Security Policy, Loans and Emergency Aid as well as Humanitarian Aid.



Graph 3: The final deal. Budget as adopted 2007-2013. Source: Grybauskaitė Dalia (2006)

instruments and budget lines of the Heading “External Actions” from 30 to around 6. The European Commission suggested a package of 6 instruments. After two years of rather fierce negotiation between Parliament, Council and Commission, the compromise consists of 4 geographic and 5 horizontal instruments (see graph 4). The areas “Nuclear safety” and “Cooperation with industrialised countries” were eventually removed and placed in separate instruments.



Graph 4: Instruments for External Actions of the EC (2007-2013)

Six of the nine instruments are new and first had to be established through legislation procedure. For Development Cooperation, the Development Cooperation Instrument (DCI) is the most important. It was only separated from “Cooperation with Industrialised Countries” after long inter-institutional struggles. The DCI as an INSTRUMENT is broken down into five geographic and five thematic PROGRAMMES. Geographic programmes are meant for Asia, Central Asia, Latin America, the Middle East and the Republic of South Africa. (Remember: Funds for ACP countries are outside the normal EU budget!) Thematic programmes are open to all developing countries and complement the Country Strategy Papers (CSP). The DCI as well as the European Neighbourhood and Partnership Instrument (ENPI) also appropriate funds to Global Funds and Initiatives. Also a compensation programme for sugar-producing countries has been set up. And after pressure from Parliament and NGOs, it has been agreed that a fixed percentage of the aid budget is to be spent on social services (health and education) in order to take account of the commitments made in the Millennium Development Declaration.

Financial Instruments do not define political and strategic guidelines or specific measures for programmes and projects (KOM 2002). In order to take into account the actual priorities of the Community, wordings are kept rather flexible and only contain rough objectives and procedures for Development Cooperation measures (e.g. the procedures for the formulation of strategy papers, three year programmes and annual work plans, the annual reports etc.). The final contents are decided during the programming exercise.

**ATTENTION:** Regarding the DCI and ENPI, European Parliament was involved in the legislation process through Co-Decision Procedure. For IPA and SI legislation however, it only needed to be consulted as stipulated in the Treaty establishing the European Community!



**Development Cooperation Instrument (DCI):**  
<http://register.consilium.europa.eu/pdf/en/06/st03/st03663.en06.pdf>



**Successful lobbying led to the split of the initial Instrument for Development Cooperation and Economic Cooperation with Industrial Countries and to the creation of a single instrument for Development Cooperation. Another separate instrument for Democracy and Human Rights was enforced by the EP and Nuclear Safety split from the Stability Instrument.**



**ATTENTION:** ODA funds are distributed among instruments, some of which do also contain non-ODable funds. This way, monitoring the overall ODA funds becomes more difficult.

6 Non-state actors and local authorities, Food security, Investing in people, Environment and sustainable management of natural resources, Migration and asylum, sugar.

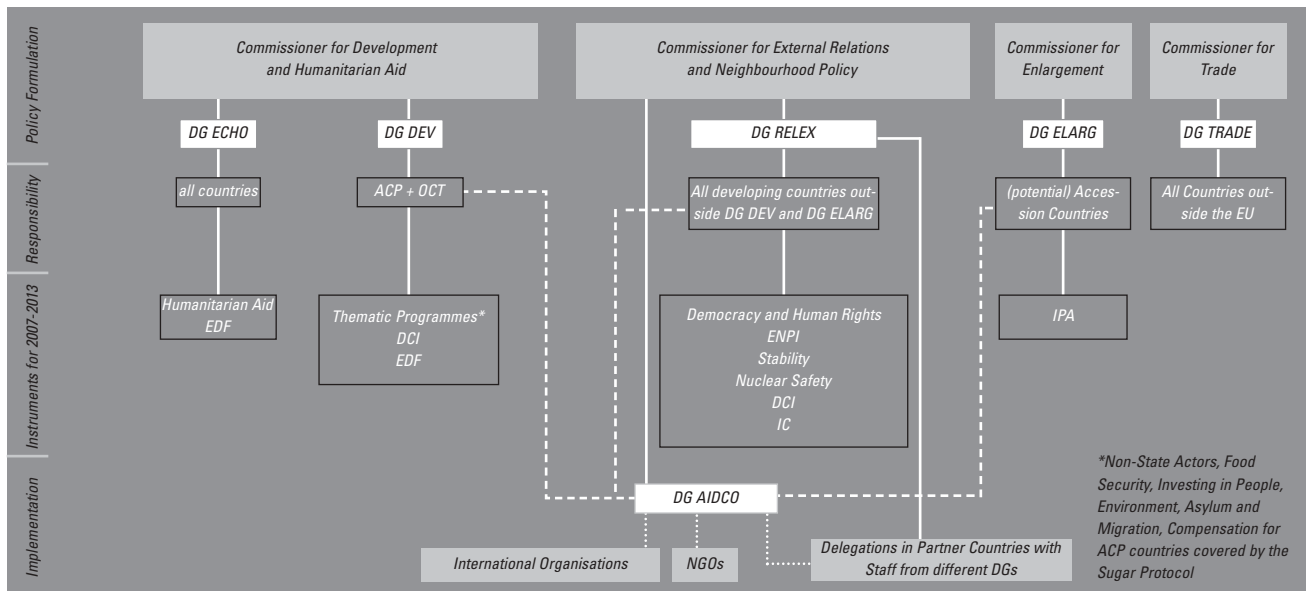
# Development Cooperation within the EU-Institutions

## Development Cooperation within the Commission

The RELEX-Family<sup>7</sup> is the group of Commissioners whose policy areas deal with third countries:

- Commissioner for Development and Humanitarian Aid: Louis Michel
- Commissioner for External Relations and Neighbourhood Policy: Benita Ferrero-Waldner
- Commissioner for Trade: Peter Mandelson
- Commissioner for Enlargement: Olli Rehn

Drafts for strategies, policies, laws, etc. are discussed at the weekly meetings of the College of Commissioners. This "Inter-service consultation", chaired by Commission President Jose Manuel Barroso, decides on issues by simple majority before their publication and dissemination to Council and Parliament. The Commissioners are supported by their cabinets, which advise and prepare decisions for them.



Graph 5: Development Cooperation within the Structures of the Commission: DGs, Responsibilities, and Instruments



### DG DEV's Organisation Chart:

[http://ec.europa.eu/development/About/Functional/org\\_syn\\_en.pdf](http://ec.europa.eu/development/About/Functional/org_syn_en.pdf)

### DG ECHO's Organisation Chart:

[http://ec.europa.eu/echo/presentation/whoswho\\_en.htm](http://ec.europa.eu/echo/presentation/whoswho_en.htm)

The following Austrian NGOs have a Framework Partnership Agreement with ECHO: Care Austria, Hilfswerk, Austrian Association for Development and Cooperation, Austrian Red Cross and SOS Kinderdorf.

The daily work on the various issues takes place in the Directorates General (DGs), which are each assigned to one of the Commissioners. Responsibility for development and cooperation programmes of the European Community lies within the DGs Development (DG DEV), Humanitarian Aid (DG ECHO), External Relations (DG RELEX), Enlargement (DG ELARG), and EuropeAid (DG AIDCO) (see graph 5).

The Commissioner for Development and Humanitarian Aid, Louis Michel, is obviously in charge of DG DEV and DG ECHO. DG DEV devises and drafts the Development Cooperation Strategy of the EC, which includes the objective of poverty eradication in all developing countries. Also cooperation with the ACP Countries and the Overseas Countries and Territories (OCTs) is within the remit of DG DEV.

Founded in 1992 in order to react to serious crises in the world, DG ECHO drafts its own policy and administers its own money, coming from the normal EU budget as well as from the EDF. By means of partnership agreements with about 200 NGOs and UN-agencies ECHO aims to help fast and flexible after natural disasters and conflicts throughout the world.

DG RELEX under Commissioner Benita Ferrero-Waldner has been in charge of the instruments: Stability, Nuclear Safety, Democracy, and Human Rights since 2007.

<sup>7</sup> French, meaning *Rélations Extérieures* (engl. Foreign Affairs or External Relations)

All countries which are not within the remit of DG DEV and DG ELARG, fall under Ferrero-Waldner's responsibility. These are countries of the Mediterranean, the Middle East, Eastern Europe and Central Asia, and the Western Balkans. Between 2007 and 2013 these countries are covered by the "European Neighbourhood and Partnership Instrument" (ENPI), which is based on existing bilateral agreements/associations between the Community and these countries. Objectives here are not only sustainable development and poverty eradication, but also gradual integration into the EU's common market (KOM 2004a:8ff.).

DG RELEX also covers all countries in Asia and Latin America. Since 2007, the Development Cooperation with these regions is legally defined by the Development Cooperation Instrument (DCI).

The third Commissioner dealing with developing countries is Olli Rehn. Since 2007, his DG Enlargement has used the Instrument for Pre-Accession (IPA) to help countries adapt to EU standards for possible accession into the Union. For example, Bosnia-Herzegovina and Croatia receive development aid, but at the same time also funds to prepare for accession.

DG AIDCO, also called EuropeAid, is the main implementation structure for development aid of the EC's aid budgets. Co-financing of NGOs through Calls for Proposals as well as regular evaluation of the thematic and geographic policies and strategies form part of EuropeAid's tasks. It is not in charge of pre-accession programmes, humanitarian aid, CFSP and the rapid reaction mechanism. In the course of internal reforms, the competencies of EuropeAid have been decentralised to EU delegations in the respective countries (De-concentration process). Within the structures of the Commission, Commissioner Ferrero-Waldner is formally in charge of EuropeAid as well as all EU delegations.

The RELEX quartet is complemented by Trade Commissioner Peter Mandelson, who is leading the development of trade relations between the EU and third countries. His DG Trade serves as linkage between trade policy and poverty eradication. This is – at least on paper – a focal area of the Development Cooperation of the European Community and thus a fundamental part of DG Trade's development strategy (e.g. through Economic Partnership Agreements – EPAs).

Also outside the RELEX-Family one can find policy areas like Civilian Crisis Management in DG Environment or the Common Agricultural Policy (CAP), which overlap with Development Cooperation and should not be ignored, for the sake of coherence – meaning, in order to make sure that policies and programmes of DG Environment or the CAP do not destroy what DG Dev has build up.

## **Development Cooperation within the Council**

Development Ministers usually meet once every six months for an "Informal Development Council". It has become informal a few years ago when it was stripped of its own formal status and made part of the so-called General Affairs and External Relations Council – GAERC.

The GAERC meets once a month and is in charge of all areas of external relations: Common Foreign and Security Policy, European Security and Defence Policy, Trade, Development Cooperation and Humanitarian Aid. At these high-level meetings, delicate issues are discussed and Communications adopted in order to take effect.

In analogy to the internal heterogeneity of the European Commission, the functioning of the Council is also very complex:

In the area of Development Policy two Council Working Groups (CWG) named "Development Cooperation" and "ACP" are active. Staff of the Permanent Representations to the EU of all Member States is working on development issues at official's level and already tries to work out compromises between Member States' interests: Phrasing of the Commission drafts are refined, while changes and approvals are negotiated.

Only once an issue has passed this level, it will be addressed in the weekly meetings of the COREPER, which is the Committee of Permanent Representatives. For sensitive political areas, amongst which Development Cooperation can be found, it assembles the Member States' Ambassadors to the EU for COREPER II. For political areas, which are less sensitive, COREPER I, attended by deputy ambassadors, meets once a week.



**DG RELEX's Organisation Chart:**  
[http://ec.europa.eu/dgs/external\\_relations/organigramme.xls](http://ec.europa.eu/dgs/external_relations/organigramme.xls)



**DG ELARG's Organisation Chart:**  
[http://ec.europa.eu/dgs/enlargement/dgelarg\\_org.pdf](http://ec.europa.eu/dgs/enlargement/dgelarg_org.pdf)



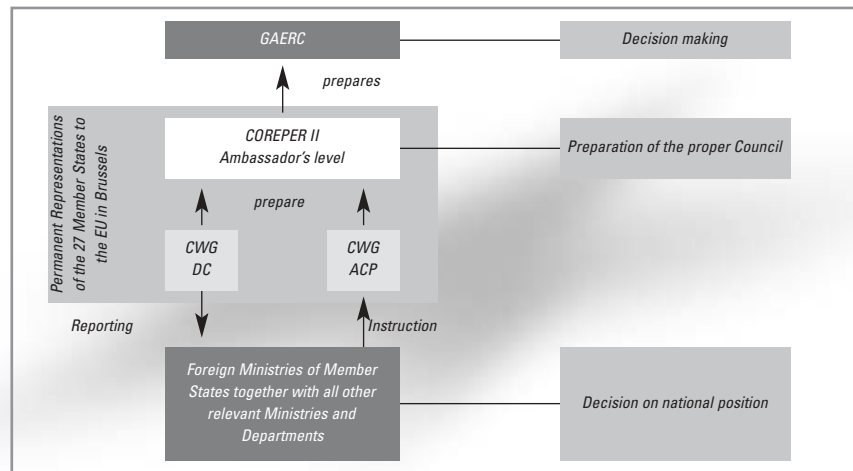
**DG AIDCO's Organisation Chart:**  
[http://ec.europa.eu/europeaid/general/pdf/organigramme\\_europeaid\\_en.pdf](http://ec.europa.eu/europeaid/general/pdf/organigramme_europeaid_en.pdf)



**DG TRADE's Organisation Chart:**  
[http://europa.eu.int/comm/trade/whatwedo/whois/index\\_en.htm](http://europa.eu.int/comm/trade/whatwedo/whois/index_en.htm)



**The tradition to hold an Informal Development Ministers Council every six months was broken for the first time during the Austrian Presidency of the EU in 2006!**



Graph 6: Internal Structures of the Council



**Council meetings are – contrary to EP meetings – not yet public, which makes it more difficult to approach the Council. As a reaction to criticism it is possible now to follow Council deliberations under the Co-decision procedure via videos available on the www. In order to exploit all possibilities for dialogue, it can still make sense to contact the national representatives in Brussels to get information on the current negotiations. However, focal points of NGOs remain the national Foreign Ministries.**

If Council Working Groups could already reach agreement on an issue, it will appear as an A-point on the agenda of COREPER and will be accepted without further discussion. Issues related to Development Cooperation need a qualified majority for acceptance (graph 7).

All other items are named B-points and need to be discussed amongst the ambassadors. If they are also unable to reach an agreement or the needed majorities because national interests are too divergent, issues are brought before the GAERC or the next Informal Development Council to be resolved.

#### Qualified Majority

A qualified majority is reached when more than 50% of the Member States and at least 255 votes are counted in favour of a resolution. Furthermore, a Member State can demand a verification to check if the votes in favour represent at least 62% of the total EU population.

#### Number of votes (since 2007)

Germany, France, United Kingdom, and Italy each	29 votes
Poland and Spain each	27 votes
Romania	14 votes
the Netherlands	13 votes
Belgium, Greece, Portugal, Czech Republic, and Hungary each	12 votes
Bulgaria, Austria, and Sweden each	10 votes
Denmark, Finland, Ireland, Lithuania, and Slovakia each	7 votes
Estonia, Latvia, Luxembourg, Slovenia, and Cyprus each	4 votes
Malta	3 votes
	<b>345 votes</b>

Graph 7: Qualified Majority within the Council of the EU



#### Council Live:

[http://www.consilium.europa.eu/cms3\\_fo/showPage.asp?id=1102&mode=g&lang=en](http://www.consilium.europa.eu/cms3_fo/showPage.asp?id=1102&mode=g&lang=en)



**Organisation Chart of Department VII (Development Cooperation) within the Austrian Federal Ministry for European and International Affairs:**

[http://www.bmeia.gv.at/view.php3?f\\_id=1432&LNG=de&version=&org=568](http://www.bmeia.gv.at/view.php3?f_id=1432&LNG=de&version=&org=568)

**ADA's Organisation Chart:**

[http://www.ada.gv.at/up-media/1969\\_organigramm\\_ada\\_zentrale\\_12\\_2005.pdf](http://www.ada.gv.at/up-media/1969_organigramm_ada_zentrale_12_2005.pdf)

Only at this level, resolutions are adopted. CWG and COREPER discuss options and work on agreements, thus preparing the work of the "proper Councils".

The basic work, specifically the assessment of issues, formulation of opinions and national positions, takes place in the respective ministry at the national level.

In the case of Austria, Section VII of the Federal Ministry for European and International Affairs (BMEIA) deals with Development Cooperation. Eventually Section VII issues an instruction with the Austrian national position to the ambassador and working group members for their respective next meeting.

### Development Cooperation and Foreign Policy

A look at the three pillars of the EU reveals that policy areas of the CFSP and the ESDP, for example peace-keeping, human rights, democracy, humanitarian missions, or military deployments in crisis can overlap with development cooperation. Sometimes parallel responsibilities occur under the auspices of the Commission (pillar I), other times the institutional structures of the Council (pillar II) under the lead-management of its High Representative for the CFSP, currently Javier Solana, lead to such parallelism.

Basic principles and the framework of the CFSP are determined by the European Council. It can decide on "Common Strategies" unanimously\* only. The further steering of the CFSP is incumbent on the GAERC, which consists of the Foreign Ministers of the Member States. The Presidency of the EU is in charge of the implementation of measures and the representation of the European Community at the international level. The Presidency is supported by the European Commission and the High Representative for the CFSP. This threesome is called Troika.

#### The following common areas of action exist for Member States:

- Common Strategies (e.g. EU-Africa Strategy of December 2005)
- Common Activities (e.g. provision of election observers, special envoys, or police missions)
- Common Positions (Zandonella 2005:51ff)

Member States must contribute extra funds for special activities, meaning these funds do not come from the general EU budget. It is important to know that measures of foreign policy – contrary to development cooperation – do not need to strive directly to eradicate poverty, but should be coherent with this objective.

\*Since the enlargement round in 2004, the possibility of "constructive abstentions" has been created. They do not constitute real approval, but also do not veto the needed unanimity.

### Development Cooperation within the Parliament

European Parliament has established a separate committee to tackle development issues, which is called DEVE. Former EP-President Josep Borrel has taken the chair of this committee in January 2007. DEVE has around 30 members and meets once or twice every month in Brussels.

#### DEVE...

- handles Communications and proposals of the European Commission
- drafts reports regarding development issues at its own initiative
- supervises the EC Aid Budget and the Cotonou Agreement
- participates in election monitoring missions, if necessary in cooperation with other committees and delegations
- coordinates the work of inter-parliamentarian and ad-hoc delegations within its scope (e.g. EU-ACP Joint Parliamentary Assembly)

If DEVE authors a report on an issue or on a Commission Communication, a so-called Rapporteur is appointed amongst its members to devise the document. The right to report is distributed amongst all political parties according to a point system. All other parties will appoint their own "Shadow Rapporteur", who will follow the issue on their behalf.

Once DEVE has accepted the report of the Rapporteur, he/she will present it at a plenary meeting of the EP and all 785 MEPs will vote on the report. Only then a final position of the EP is taken and will be contended against the Commission's and Council's positions on the matter.

Sometimes issues overlap with those of other committees of the EP. This occurs most frequently with AFET, the Committee on Foreign Affairs, BUDG, the Budget Committee, INTA, the International Trade Committee, DROI, the Human Rights Committee, SEDE, the Committee on Security and Defence, and AGRI, the Committee on Agriculture and Rural Development. The decision of which committee will prepare the report for the vote in plenary is determined by the presidents of the political parties.



#### DEVE:

<http://www.europarl.eu.int/activities/expert/committees/presentation.do?committee=1233&language=EN>

#### List of Austrian MEPs:

<http://www.europarl.eu.int/members/public/geoSearch/search.do?country=AT&language=EN>



*While an issue is being assessed in a committee in Parliament and the report being written, the Rapporteurs are the most important dialogue partners for NGOs. It is essential to convey relevant information and knowledge at this stage. Once a report is up for voting in plenary, all 785 MEPs have to vote. Austrian NGOs should contact their 18 national MEPs first.*

# Inter-institutional Processes

## Development Cooperation Legislation



**Communications of the Commission:**

<http://europa.eu.int/eur-lex/lex/COMIndex.do>

**List of Expert Groups:**

[http://europa.eu.int/comm/secretariat\\_general/regexp/search.cfm?l=all](http://europa.eu.int/comm/secretariat_general/regexp/search.cfm?l=all)



*The Commission should be your primary dialogue partner if you want to be included in the design of Development Policy legislation from the very beginning. Council and EP can of course contribute or ask for amendments in co-decision procedure, but studies show that more than 80% of the proposals of the Commission remain unchanged!*

**How to do it:**

- Find out the expert group working on the issue
- Cooperate with NGO networks
- Contact and keep in touch with staff of relevant DGs
- Make use of DG DEV's NGO contact person

*The minute the Commission publishes a Communication, Council and EP become the most relevant actors for NGOs for dialogue.*

*Within the EP, it makes most sense to contact the coordinators of all nine parties.*

**These are:**

**EPP:** MARTENS and DEVA  
**PSE:** van den BERG  
**ALDE:** CORNILLET  
**UEN:** KRISTOVSKIS  
**GUE:** ZIMMER  
**Greens:** SCHMIDT  
**IND/DEM:** GOUDIN  
**ITS:** DILLEN  
**N/I:** BATTILOCCHIO

### The Right of Initiative of the Commission

Only the European Commission has the "right of initiative", which means that only the EC may propose new legislation. The Commission may seize every initiative which will serve to abide to the legal objectives of its Development Cooperation. Development Cooperation legislation can be varied. On the one hand it can be the legal basis for financing instruments, and on the other it can be something more general like the Regulation on Access to Community External Assistance.

Very often an initiative will be ascribed to the expiration of old regulations, reforms or changed global frameworks and trends. Nevertheless, also Parliament or Council can request the Commission to draft new texts.

The Commission has established Expert Groups. These are external advisory bodies, which help the Commission to devise the draft wordings and make policy recommendations. Membership of the Expert Groups differs. Expert Groups can consist of officials from the Member States only, but can also include NGOs, social partners, research institutions etc. As a response to the accused lack of transparency of these meetings, its constitutions and agendas, the Commission has recently published a directory of these around 1262 groups, which help develop legislation drafts. According to this directory (May 2007), DG DEV works with 30 Expert Groups, DG RELEX with twelve, and DG AIDCO with five.

### Adoption of Development Cooperation Legislation

As soon as proposals for Development Cooperation legislation are accepted as Communications from the College of Commissioners and published, Council and Parliament are engaged in the adoption process through the so-called "Co-Decision Procedure" on an equal footing with the Commission. The Commission remains very active at this stage and is in close contact with the Council of the EU.

In its role as co-legislator in the area of Development Cooperation, Parliament needs to react to the proposal of the Commission before Council voices its opinion. This means to either accept or reject the proposal or to suggest changes by way of amendments.

The formal procedure would require Council to give its opinion on a modified EP proposal after the "First Reading" in Parliament. The options are to accept the modified proposal or to define a differing "Common Position", which then would challenge the EP again. In a "Second Reading" in plenary, the EP would have to accept, reject or ask for amendments on the Council position again. If the newly suggested amendments of the EP were not acceptable for the Council, eventually a Conciliation Committee, consisting of members of all three institutions, would be appointed to "save" the proposal.

#### European Legislation

Depending on the level of involvement of the EP in the legislation process, there are three different procedures: Co-decision, Consultation, and Cooperation.

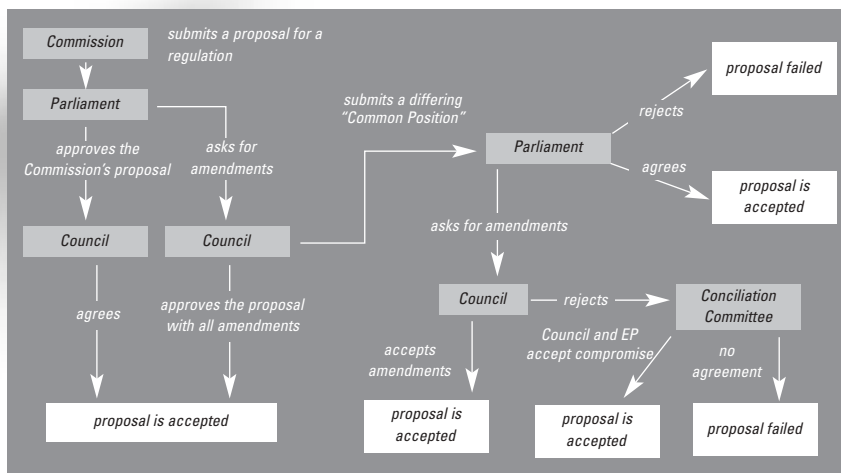
The Treaty of Amsterdam, which entered into force on May 1, 1999, introduced Co-decision procedure for Development Cooperation. This means that it is now one of the policy areas in which EP and Council decide on an equal footing. In Co-decision procedure Council reaches an agreement by qualified majority.

In practice, EP and Council aim for an agreement in the "First Reading". Basis for this is a Joint Declaration of 1999, which seeks to increase efficiency between the Institutions. The objective is to accelerate decision making through close cooperation and constant exchanges. An agreement in "First Reading" means, that Parliament and subsequently the Council accept the Commission's proposal without changes or that Parliament suggests amendments, which are to be accepted by the Council.<sup>8</sup>

Case studies show that this inter-institutional cooperation plus informal meetings and debates between Parliament and Council and the active intervention and mediation of

<sup>8</sup> If Council wants to defy the vote of the EP, it must accept its "Common Position" not by qualified majority, but unanimously.





Graph 8: Co-Decision Procedure according to Article 251 of the TEC: Flow chart

the Commission can exceedingly speed up the process. Sometimes it is even possible for the Commission to have its response ready on the same day as Parliament accepts its internal report on the proposal, so that even the Council Working Group can come to an agreement on these amendments on the same day. Formally, the dossier must pass Council's hierarchy up to ministerial level, but in principle legislation procedure has been successful on that very day.

## Programming

### The Commission as Executive Body

As the Union's executive body, the Commission has the explicit task to implement the Development Cooperation of the Community. This applies to ODA money within the EU's budget as well as for the EDF.

During the "programming exercise", development policies like the European Consensus, Financing Instruments and the Cotonou Agreement are animated. Thematic and geographic strategy papers are formulated, specific measures and their financial configurations adopted, and expected results and indicators defined. It is a procedure which is prepared by a series of studies, expert meetings, conferences etc. (see DG External Relation et al 2001:9ff.) The allocation of ODA funds to regions and countries depends on criteria like needs, capacity and performance of a country. For example, the number of inhabitants, the level of poverty and the social development of a country define its "needs". According to the Commission, the performance criterion encompasses political, economical and social progress and absorption capacity. (KOM 2005a:18) Absorption capacity is a term to explain whether a country will be able to administer and spend the allocated money at all.

Especially geographic programming is supposed to be based on a broad consultation process between Commission and local government in order to define the kind of intended cooperation (according to the DCI). An important tool and at the same time the basis of each programming exercise is the "Country Strategy Paper" (CSP) which comprises an analysis of the economic, political, and social situation of the country, the strategy of the local government, and the contributions of all donors. "National Indicative Programmes" (NIP) are part of CSPs. NIPs define focal sectors and areas to be supported by the Commission. Also included are detailed time frames and details for the integration of Non-State Actors (see ECDPM 2003:21f.).

Priorities and strategies of the NIPs need to be broken down into specific development programmes and projects, which define all details for the implementation of the funds. As soon as all relevant national and EU actors have agreed to this "financial proposal", a "Financial Agreement" between the local government and the European Commission is signed. This then constitutes the legal basis of the cooperation (ECDPM 2003:47ff.).

All ACP countries appoint a government official as "National Authorising Officer" (NAO), who represents his/her country in all EC funded programmes and keeps close contact with the EU delegation in the country. His/her tasks include the signing of contracts, monitoring and supervising of projects and programmes, as well as keeping contact with civil society actors on-site (ECDPM 2003:47ff.).



Database for inter-institutional procedures:

<http://ec.europa.eu/prelex/apcnet.cfm?CL=en>



More and more often the Commission uses public consultations via the internet for the formulation of strategic documents. This happened with the strategy paper on "Non-State Actors and Local Authorities". According to CONCORD however, the deadlines for such consultations are mostly too short in order to produce high quality and coordinated inputs.



CONCORD's Cotonou Working Group monitors the geographic programming of the EDF from a civil society perspective:

[http://www.eurostep.org/wcm/index.php?option=com\\_content&task=view&id=64&Itemid=103](http://www.eurostep.org/wcm/index.php?option=com_content&task=view&id=64&Itemid=103)



**ATTENTION: Comitology Committees are not to be confused with the Commission's Expert Groups!**



*When scrutinised in detail, it became clear that not all articles of the DCI had been transposed correctly to the 32 CSPs accepted by the DCI Committee on January 25, 2007. Therefore the EP adopted a resolution on February 15, 2007 regarding the CSPs and NIPs for Malaysia, Brazil and Pakistan, asking the Commission to withdraw its proposals. In the case of Malaysia, the reason was, that the "Commission exceeds its implementing powers ... by selecting as the only focal sector (for which 100% of the funds are earmarked) "EU-Malaysia Policy Dialogue Facility on Trade and Investment", "the overall objective of which is to facilitate trade and investment relations between the EU and Malaysia"...". (EP 2007) This objective obviously does not comply with the primary objective of poverty eradication.*



**ATTENTION:** As of 2007 the former NGO Member States' Committee has been integrated into the newly set up global DCI Committee.



**Austrian NGOs could establish contact with the respective ministry officials or ADA staff.**

**With the DCI entering into force, this phase has also become important for co-operation with the EP. NGOs' expertise could thus be incorporated in CSPs, making its way to the implementation level.**



**ATTENTION:** The new rules of the DCI are not (yet) applied to the CSPs of ACP Countries!

Since 2001 competencies and responsibilities as well as procedures within the Commission are determined by an "Inter-service Agreement" between DG RELEX, DG DEV, and DG AIDCO. They all lead the general negotiations with partner countries and have to agree to financial proposals. The detailed elaboration of measures and financing proposals are done by DG AIDCO. Delegations were for a long time only indirectly involved by delivering necessary information to the respective DG. The "De-concentration process" has changed this and delegations are becoming increasingly important in programming and implementing processes (DG External Relations et al 2001:11ff.).

### Committees and Resolutions

The Comitology Committees (e.g. DCI-Committee, Committee for Humanitarian Aid) offer a broad spectrum for Member States to influence the programming exercise (as opposed to Parliament, which is not involved anymore).

Officially members of the Comitology Committees are government officials of the Member States' ministries and their permanent representations in Brussels. In practise though, also other representatives may participate. In the case of Austria for example, also staff of the implementing agency "Austrian Development Agency" (ADA) participates in such committees on behalf of the Austrian Federal Ministry for European and International Affairs. Often members take part in more than one committee. The Comitology Committees are chaired by the Commission.

The committees are supposed to support the Commission in the preparation of cooperation plans for regions or specific countries with expertise and opinions on strategic questions. Meetings usually do not deal with specific projects but rather with proposals for multi-annual programmes and annual action plans. The Comitology Committees have to agree to the financing proposals drafted by the Commission by qualified majority and are thus directly involved in and responsible for the implementation of EC Development Cooperation (see KOM 2002).

For a long time, Parliament had only been informed about agendas and decisions of these committees after their meetings. During negotiations on the Development Cooperation Instrument (DCI) the EP could increase its importance vis-à-vis the DCI Comitology Committee. Since 2007, the EP and the members of the Committee both receive agendas, Country Strategy Paper drafts, decision making results etc. at the same time. The EP may now also single out CSPs for a detailed discussion with the Commission. The result of these discussions should be reflected in the implementation of these specific CSPs. This "informal structured dialogue" constitutes a new component of the programming exercise and is put on record in an exchange of letters attached to the DCI.

In addition to this new and deepened dialogue, Parliament has always had the formal right to assess the CSPs within a few weeks after their adoption by the DCI Committee. The EP would look at whether a CSP really complied with all parts of the Development Cooperation Instrument. If necessary, the EP can voice its appraisal by means of a resolution.

### Budgetary Processes

The Financial Perspective of the EU constitutes an "Inter-institutional Agreement" (IIA) between Commission, Council and Parliament which is renewed every seven years without any special procedure.

The annual EU budget however is approved by the Council of the EU together with the European Parliament in compliance with very specific rules. These rules demand the Commission to draft a preliminary budget, which is based on the priorities identified by the three institutions in a "TRILOG". This proposal has to be sent to the Council by 1 September every year. Council accepts the preliminary draft after negotiations with the EP by a qualified majority and forwards it to the EP as the official draft budget by 5 October. Parliament then has 45 days to approve the budget or to ask the Council for amendments. Council then receives another 15 days for one of the following options: First, it may accept all amendments proposed by the EP. Secondly, Council may formulate a final resolution regarding the amendments or thirdly, may amend the amendments of the Parliament further. Another 15 days are then given to the EP to accept or reject the amendments of the Council by single majority and a quorum of three fifths of all votes.

After acceptance or rejection of the amendments in plenary, the president of the European Parliament then declares the budget approved and the procedure is closed. However, Parliament may also decide to reject the proposal as a whole, which necessitates the whole procedure to start from scratch. For as long as there is no new budget, the amounts of last year's budget are used for all areas to continue working. If the deadlines are not met by any of the Institutions, this is considered as consent.

In case the two Institutions are not able to come to an agreement, Council holds the right to decide about "compulsory expenditure". Due to its "budgetary authority", Parliament has the last word regarding the "non-compulsory expenditure", and the final adoption of the overall EU budget.

The EP is usually able to achieve a reduction or an increase for specific programmes during the annual budgetary process.

### **Control mechanisms**

At the end of a financial year, the Commission will be "granted a discharge" by Parliament, which is supported by the European Court of Auditors. This way Parliament exercises its monitoring control and can also censure the Commission as a whole. The Development Committee of the EP, DEVE, works closely with COCOBU, the Committee on Budgetary Control.

Furthermore, DEVE continuously voices opinions and publishes reports on its own initiative (e.g. on the European Consensus or on the EU Africa Strategy), may table oral or written questions to Council and Commission (e.g. development and sports), and organise hearings (e.g. Fair Trade, EPAs). Staff from relevant DGs participate in the meetings of DEVE and thereby ensure a continuous dialogue.

And last but not least DEVE may, as any other Committee, write letters to the Council and formulate demands.

### **Conclusion**

All of the Member States and the Commission within EU Development Cooperation are in a period of transition. The objective is harmonisation of all European Development Policy and Cooperation in order to increase efficiency and effectiveness both at the policy level in Brussels as well as on implementation level in donor countries. Therefore, civil society participation as well as lobbying need to take place at all levels of this policy area. We hope that the information of this brochure on basic structures of EC Development Cooperation and decision making procedures can contribute to an even better involvement of NGOs at the different levels of the European debate. We definitely wish you a great deal of success and stamina.



**Overview of parliamentary questions:**  
<http://www.europarl.europa.eu/OP-WEB/home.jsp?&language=en>



**NGOs can also make use of the rights of the EP by provision of information on abuses or the preparation of questions. The EP is considered to be NGO friendly. MEPs can set up informal Inter-service groups to assess situations and proposals (as done on Fair Trade, the Tobin Tax, reproductive health, etc). NGOs with good contacts and a good reputation can achieve the convocation of such groups.**

**NOTICE: It may be very helpful to identify**

- **the development cooperation friendly MEPs in all parties**
- **the coordinators of all parties**
- **the heads of national delegations**
- **the relevant national MEPs and their assistants.**

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## Abbreviations

ACP	African, Caribbean and Pacific Countries
ADA	Austrian Development Agency
BMEIA	Federal Ministry for European and International Affairs
CFSP	Common Foreign and Security Policy
COREPER	Committee of Permanent Representatives
Council	Council of the European Union
CR	Committee of the Regions
CSP	Country Strategy Paper
CWG	Council Working Group
DCI	Development Cooperation Instrument
DEVE	Development Committee of the European Parliament
DG	Directorate General
DG AIDCO	Directorate General for Aid Cooperation, also called EuropeAid
DG DEV	Directorate General for Development
DG ECHO	Directorate General for Humanitarian Aid
DG ELARG	Directorate General for Enlargement
DG RELEX	Directorate General for External Relations and Neighbourhood Policy
DG TRADE	Directorate General for Trade
EC	European Community or
EC	European Commission
ECSC	European Coal and Steel Community
EDF	European Development Fund
EIB	European Investment Bank
ENPI	European Neighbourhood and Partnership Instrument
EP	European Parliament
EPAs	Economic Partnership Agreements
ESDP	European Security and Defence Policy
EURATOM	Treaty establishing the European Atomic Energy Community
FF	Financial Framework
GAERC	General Affairs and External Relations Council
GNI	Gross National Income
IIA	Inter-institutional Agreement
IPA	Instrument for Pre-Accession
NAO	National Authorising Officer
NGO	Non-Governmental Organisation
NIP	National Indicative Programme
NSA	Non-State Actors
ODA	Official Development Assistance
OTC	Overseas Territories and Countries
PJCC	Police and Judicial Cooperation in Criminal Matters
SI	Stability Instrument
TEC	Treaty establishing the European Community
TEU	Treaty on European Union





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