



EUROPEAN PARLIAMENT

2009 - 2014

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*Committee on International Trade*

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**2009/2218(INI)**

2.3.2010

# **OPINION**

of the Committee on International Trade

for the Committee on Development

on the EU Policy Coherence for Development and the 'Official Development Assistance plus concept'  
(2009/2218(INI))

Rapporteur: Vital Moreira

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## SUGGESTIONS

The Committee on International Trade calls on the Committee on Development, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. Emphasises the importance of coherence between trade and development policies for better development and tangible implementation, and welcomes in this respect the EU 2009 Report on Policy Coherence for Development (COM(2009)0461) and the balanced approach taken by DG Trade in implementing trade agreements that not only promote the strategic economic interests of the EU but also underline the need for good governance and the implementation of fundamental European values;
2. Reiterates the need for coherence between trade policy and other (environmental and social) policies, notably in regard to trade agreements containing incentives for the production of biofuels in developing countries;
3. Stresses that the European Union is by far the biggest aid donor in the world (EU aid rose to €49 billion in 2008, representing 0.40% of GNI), and that aid volumes are expected to increase to €69 billion in 2010 to meet the collective promise of 0.56% of EU GNI made at the G8 Gleneagles Summit in 2005; points out that this would release an additional €20 billion for development objectives;
4. Reiterates the importance of coherence between trade and development policies and stresses that the implementation of trade agreements should serve as an opportunity for the European Commission to promote good governance and the application of fundamental European values;
5. Stresses that systematic consultation of labour organisations and trade unions on the implementation of social and environmental standards in non-EU countries, notably before the conclusion of EPAs or the granting of GSP +, would ensure a better coherence in trade policies benefiting sustainable development in developing countries;
6. Recognises that according to the Commission's Aid for Trade (AfT) monitoring report 2009 (COM(2009)160 final, p. 30), the EU's AfT commitments to the African, Caribbean and Pacific (ACP) States fell from €2975 million in 2005 to €2097 million in 2007, that the ACP's share of the EU's overall AfT commitments fell from 50% to 36% over the same period, and that this is not consistent with prior promises to prioritise poverty eradication and development;
7. Welcomes, in this connection, all the existing initiatives in the area of trade with developing countries at EU and WTO levels, in particular the Everything But Arms (EBA) initiative, GSP and GSP+ , the asymmetry and transitional periods in all existing European Partnership Agreements (EPAs) and the [Aid-for-Trade Work Programme 2010-2011](#), and calls for the revision of the last of these, with a view to giving it greater leverage to foster sustainable growth;
8. Considers the recent EU decision to re-establish export subsidies for milk powder and other dairy products, which in the main subsidise agro business in Europe at the cost of

poor farmers in developing countries, a blatant violation of the core principles of policy coherence for development, and calls on the Council and Commission to revoke that decision immediately;

9. Stresses the need to take relevant aspects of Policy Coherence for Development into account in bilateral and regional trade agreements and multilateral trade agreements firmly anchored in the rules-based WTO system, and in this connection urges the Commission and the Member States to actively engage with all other relevant WTO partners that can contribute to bringing about a balanced, ambitious and development-oriented outcome to the Doha Round in the very near future;
10. Recalls the adoption, in October 2007, of the EU Strategy on Aid for Trade, with a commitment to increase the collective EU trade-related assistance to €2 billion annually by 2010 (€1 billion from the Community and €1 billion from the Member States);
11. Underlines the fact that the so-called 'Singapore issues', such as liberalisation of services, investment and government procurement, the introduction of competition rules and stronger enforcement of intellectual property rights, do not serve the aim of achieving the eight Millennium Development Goals;
12. Calls on the developing countries, especially those that benefit most from EU aid, to ensure good governance in all public matters, and especially in the management of aid received, and urges the Commission to take all necessary steps to ensure transparent and efficient aid implementation;
13. Reiterates that the EU should support those developing countries which use the 'flexibilities' built into the TRIPS Agreement in order to be able to provide medicines at affordable prices under their domestic public health programmes;
14. Welcomes the safeguard clause on food security drafted into the Economic Partnership Agreements, and encourages the Commission to ensure its effective implementation;
15. Deplores the TRIPS+ provisions included in the CARIFORUM-EC Economic Partnership Agreement, and in the agreements that are being negotiated with the countries of the Andean Community and Central America, provisions which create barriers to access to essential medicines.
16. Welcomes the Commission's recent comments to the effect that it will look again at Regulation (EC) No 1383/2003, which has had unintended consequences for the transit through the EU of generic medicines which were ultimately destined for developing countries;
17. Believes that initiatives such as the Unitaid patent pool for HIV/Aids medicines can help bring coherence to the EU's health and intellectual property policies;
18. Welcomes the Commission's support for proposals to help indigenous communities to exploit and benefit from their traditional knowledge and genetic resources;
19. Calls on the Commission, in order to ensure that DG Trade has a coherent mandate for trade negotiations, to take due account of Parliament's preconditions for giving its

consent to the conclusion of trade agreements.

20. Welcomes the Commission's comments to the effect that the EU could lower tariffs on environment-friendly goods with like-minded countries in the event that an agreement cannot be found within the WTO;
21. Supports the Commission in facilitating the transfer of technology to developing countries, specifically low-carbon and climate-resilient technology which is essential for climate change adaptation;
22. Recognises the important role that the EU's GSP+ system can play in encouraging good governance and sustainable development within developing countries, and encourages the Commission to ensure that this tool is effective and that ILO and UN conventions are properly implemented on the ground;
23. Acknowledges the economic importance of remittances to developing countries, but stresses the need to address the issue of 'brain drain' in the implementation of bilateral trade agreements, in particular within the health sector;
24. Highlights the work done by many civil society organisations on tax evasion by EU multinationals in developing countries and asks the Commission to take their recommendations into account in future negotiations;

## RESULT OF FINAL VOTE IN COMMITTEE

<b>Date adopted</b>	23.2.2010
<b>Result of final vote</b>	+ : 16 - : 4 0 : 8
<b>Members present for the final vote</b>	William (The Earl of) Dartmouth, Daniel Caspary, Christofer Fjellner, Joe Higgins, Yannick Jadot, Bernd Lange, David Martin, Emilio Menéndez del Valle, Vital Moreira, Cristiana Muscardini, Godelieve Quisthoudt-Rowohl, Niccolò Rinaldi, Helmut Scholz, Iuliu Winkler, Jan Zahradil, Paweł Zalewski
<b>Substitute(s) present for the final vote</b>	Catherine Bearder, José Bové, George Sabin Cutaş, Mário David, Salvatore Iacolino, Syed Kamall, Elisabeth Köstinger, Jörg Leichtfried, Matteo Salvini, Michael Theurer, Jarosław Leszek Wałęsa
<b>Substitute(s) under Rule 187(2) present for the final vote</b>	Patrice Tirolien