

FOR SUFFICIENT EUROPEAN FINANCING THAT RESPONDS TO THE NEEDS OF THE MOST VULNERABLE PEOPLE



WHAT ARE THE KEY COMMITMENTS FOR #EE24?

- 1** | STRIVE TO MAKE DEVELOPMENT ASSISTANCE MEET GLOBAL CHALLENGES AS WELL AS THE EUROPEAN COMMITMENTS.
- 2** | ENHANCE THE QUALITY OF AID BY TARGETING SECTORS AND PEOPLE WITH URGENT NEEDS.
- 3** | PROMOTE ACCESS TO FINANCING FOR ALL NGOS AS WELL AS THEIR POWER OF INITIATIVE AND INNOVATION.



FOCUS ON EUROPEAN FINANCING: OFFICIAL DEVELOPMENT ASSISTANCE AND THE MULTIANNUAL FINANCIAL FRAMEWORK

Official development assistance (ODA) is the budget that governments and international institutions dedicate to financing projects to fight extreme poverty and its various consequences. ODA is governed by the Organisation for Economic Co-operation and Development (OECD) international standards to ensure transparency and accountability in how it is used. The European Union (EU) and its Member States are the world's biggest donors: they provided more than 40% of global ODA in 2021.

The European Parliament plays an important role in the EU budget for ODA insofar as the European Treaties stipulate that the European Parliament and Council are together in charge of adoption of the financial rules on drawing up and implementing that budget.

As for the **Multiannual Financial Framework (MFF)**, it is the EU's seven-year financial management tool. For the 2021–2027 period, the resources allocated to external action have been limited, representing 9.2% of the MFF instead of the recommended 10%. This reduction comes even though EU partner countries are facing greater needs due to the health crisis and its economic and social repercussions. As part of the MFF, external financing instruments for development have been consolidated into the Neighbourhood, Development and International Cooperation Instrument (NDICI).

1 | STRIVE TO MAKE DEVELOPMENT ASSISTANCE MEET GLOBAL CHALLENGES AS WELL AS THE EUROPEAN COMMITMENTS

Coordination SUD supports objectives that are at the heart of European official texts. In particular, the European Consensus on Development, adopted in 2017, plays a central role in guiding EU institutions and Member States in their cooperation with developing countries. According to this consensus, '[t]he EU is collectively committed to provide 0.7% of Gross National Income (GNI) as ODA'.

Achieving these objectives is all the more crucial because the needs for financing international solidarity have surged. Globally, the financing gap for the Sustainable Development Goals increased from \$2.5 trillion per year before the pandemic to \$3.9 trillion per year in 2023.

The European Parliament has repeatedly stressed the importance of meeting the long-standing 0.7% commitment.

Against this backdrop, at the end of 2023, 90% of the EU budget and 75% of the initial margins (intended to allow for unforeseen events) of the initial multiannual budget for the 2021–2027 period were already used or allocated to meet new needs and unexpected crises.

2 | ENHANCE THE QUALITY OF AID BY TARGETING SECTORS AND PEOPLE WITH URGENT NEEDS.

Above and beyond the quantity of financing mobilised, it's crucial to use and target ODA as best as possible to ensure its effectiveness. It's for this reason that Coordination SUD suggests the following five areas for improvement.

Least developed countries (LDCs) – LDCs now represent 13% of the world’s population and 1.3% of global GDP. Yet, they receive only 18.4% of bilateral ODA from EU institutions, a figure below the 20% target set by the European Consensus on Development. Coordination SUD advocates allocating 50% of bilateral ODA to LDCs. This ODA should come mainly in the form of grants, so as not to increase the debt burden of these countries.

Basic social services (BSS) – The main objective of the 2017 European Consensus on Development is to direct a significant share of ODA to BSS, such as water, sanitation, education, health, and social protection. This focus is crucial to improving the conditions of the most vulnerable people, especially as they must deal with health, environmental and economic crises. Currently, the NDICI provides for 20% of ODA to be devoted to BSS, but Coordination SUD advocates increasing this percentage to 50%. Oxfam has also estimated, for example, that \$8.5 trillion will have to be mobilised by 2030 for certain key sectors.

Local feminist organisations – To overcome gender inequalities, it’s essential to strengthen local feminist organisations. Indeed, these organisations are better positioned to meet the needs of communities, as they work closely with them and are familiar with socio-cultural norms. However, they are underfinanced by the EU and accounted for only 1.4% of aid earmarked for gender equality in 2019 and 2020, according to the OECD. It thus appears urgent to set up a dedicated fund to support local feminist organisations, following the French model.

Children’s rights – The situation of children around the world is worrying: countless children suffer from hunger, are in urgent need of education and are victims of serious violations of their rights. The EU is committed to supporting children by ensuring their access to education and health services and by protecting them from violence. It must take a holistic approach to reach these goals and make children’s rights a priority in EU external policy.

Transparency and accountability – Overall, the NDICI has flaws in terms of accountability. This is why a November 2022 European Parliament resolution called for the Commission to be more transparent by using quantitative and qualitative indicators that take into account a wide variety of dimensions and by sharing this information with the public.

3 | PROMOTE ACCESS TO FINANCING FOR ALL NGOS AS WELL AS THEIR POWER OF INITIATIVE AND INNOVATION.

In the 2017 European Consensus on Development, the EU acknowledges the role of civil society organisations (CSOs) as defenders of human rights and democracy, and it encourages support and capacity building for them so that they can promote social justice and the rule of law. CSOs do, in fact, help ensure greater aid effectiveness.

International NGOs work in partnership with local or national NGOs, thereby fostering their growth and autonomy. These crucial strategic partnerships must be promoted. They enable civil societies to collaborate effectively at the local and international levels, thereby enhancing their impact and advocacy.

In addition, CSO right of initiative makes it possible to explore innovative alternatives outside of pre-established frameworks. It promotes a dynamic partnership between civil society and public authorities that goes beyond the mere provision of services.

By identifying the needs of vulnerable people, European and local CSOs ensure targeted action for those who are excluded from State and international aid. According to the OECD, the right of initiative helps strengthen the effectiveness of French official development assistance, thanks to its methodical and innovative approaches. Greater support for the right of initiative via EU financing is needed.

Furthermore, agile and independent NGOs take action quickly in vulnerable areas, taking into account local needs. The costs of their actions are much lower than those of bilateral cooperation (i.e. by AFD) and multilateral agencies (i.e. UN). In addition, they are subject to numerous audits, thereby ensuring their rigorous management, accountability and traceability in their financing. Coordination SUD therefore calls for an increase in European financing channelled through CSOs to at least 15% (a figure that corresponds to the average of OECD DAC countries).

Finally, small organisations have the advantage of flexibility and responsiveness. This gives them the ability to help round out large-scale actions effectively, especially in marginalised communities. They also contribute effectively to developing links between European citizens and people in the countries receiving funding. This is why it's essential to make sure that they too have access to European financing. Today, this financing is mainly available to big organisations, rather than medium-sized or small ones.

IMPROVE COOPERATION BETWEEN CIVIL SOCIETY AND THE EU

CSOs (civil society organisations) play a key role in enriching public policy, by providing public authorities with a wide range of expertise and opinions from civil society. They draw on their experience in the field to make these opinions known. CSOs must be informed about public policy and have the opportunity to influence it, as they can propose concrete solutions to the problems raised. They also support parliamentary work by taking part in committees, helping to draft amendments and facilitating communication between MEPs and relevant players on the ground.

It is therefore through their own work – and also by supporting greater participation by CSOs in the work of the Council of the European Union and the EC – that MEPs can contribute to EU policies that leave no one behind.

Finally, special attention should be paid to the inclusion of organisations of diasporas, women, children, and youth; any organisation representing minority and minoritized groups; and organisations of various sizes.



FURTHER READING

CONCORD Europe (2021) Multiannual financial Framework. Make it work for development, Bruxelles, juin. https://international-partnerships.ec.europa.eu/system/files/2019-09/european-consensus-on-development-final-20170626_en.pdf

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Oxfam International (2023), Economie mensongère : Les « tours de passe-passe » financiers ne paieront pas la facture d'un avenir juste et durable, Avril.

Coordination SUD is the national coordinating body of French NGOs working for international solidarity.

Coordination SUD was founded in 1994 and currently comprises 184 NGOs, either as direct members or through six networks of associations (CLONG-Volontariat, Cnajep, Coordination Humanitaire et Développement, CRID, FORIM and Groupe initiatives). These organisations work in the fields of emergency humanitarian and development aid, environmental protection, human rights, advocacy and global citizenship education for international solidarity — with a special focus on helping the most disadvantaged groups of people.

LCoordination SUD's Europe work brings together member NGOs that carry out advocacy work on European issues relating to international solidarity, as well as Coordination SUD's representatives to CONCORD Europe, the European confederation of humanitarian and development NGOs of which Coordination SUD is a member.

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En partenariat

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