



TEXTS ADOPTED

P9_TA(2023)0071

Policy Coherence for Development

European Parliament resolution of 14 March 2023 on Policy Coherence for Development (2021/2164(INI))

The European Parliament,

- having regard to Article 208(1) of the Treaty on the Functioning of the European Union (TFEU), and in particular its statement that the ‘Union shall take account of the objectives of development cooperation in the policies that it implements which are likely to affect developing countries’,
- having regard to Article 3(5) of the Treaty on European Union (TEU), which states that, in its relations with the wider world, the Union shall, inter alia, ‘contribute to peace, security, the sustainable development of the Earth, solidarity and mutual respect among peoples, free and fair trade, eradication of poverty and the protection of human rights’,
- having regard to Article 21(1) TEU, which states that ‘the Union’s action on the international scene shall be guided by the principles which have inspired its own creation, development and enlargement, and which it seeks to advance in the wider world: democracy, the rule of law, the universality and indivisibility of human rights and fundamental freedoms, respect for human dignity, the principles of equality and solidarity, and respect for the principles of the United Nations Charter and international law’,
- having regard to the UN 2030 Agenda for Sustainable Development and the sustainable development goals (SDGs),
- having regard to the joint statement by the Council and the representatives of the governments of the Member States meeting within the Council, Parliament and the Commission of 30 June 2017 on the New European Consensus on Development – ‘Our world, our

dignity, our future', and in particular paragraphs 10, 109 and 110 thereof¹,

- having regard to Regulation (EU) 2021/947 of the Parliament and of the Council² of 9 June 2021 establishing the 'Neighbourhood, Development and International Cooperation Instrument - Global Europe',
- having regard to the draft new Partnership Agreement between the European Union and members of the Organisation of African, Caribbean and Pacific States (OACPS) (post-Cotonou Agreement), for which the negotiations have been concluded but which has not yet been signed or entered into force,
- having regard to the joint statement of 18 February 2022 of the Sixth European Union - African Union Summit: 'A Joint Vision for 2030',
- having regard to the Commission Staff Working Document of 6 June 2019 entitled 'Evaluation of the EU Policy Coherence for Development' (SWD(2019)0093),
- having regard to the external evaluation of the European Union's Policy Coherence for Development (2009-2016) of 2018,
- having regard to the in-depth analysis entitled 'Ensuring transparent and impactful Policy Coherence for Development', published by its Directorate-General for External Policies of the Union on 9 December 2022³,
- having regard to the Commission staff working document of 28 January 2019 entitled '2019 EU report on Policy Coherence for Development' (SWD(2019)0020),
- having regard to the Council conclusions 16 May 2019 on Policy Coherence for Development (PCD),
- having regard to its previous resolutions on PCD, and in particular its resolution of 7 June 2016 on the EU 2015 Report on Policy Coherence for Development⁴,

¹ OJ C 210, 30.6.2017, p. 1.

² OJ L 209, 14.6.2021, p. 1.

³ In-depth Analysis - 'Ensuring transparent and impactful Policy Coherence for Development', European Parliament, Directorate-General for External Policies of the Union, published in the proceedings of the Workshop Enhancing policy coherence for development, 9 December 2022.

⁴ OJ C 86, 6.3.2018, p. 2.

- having regard to its resolution of 23 June 2022 on the implementation and delivery of the Sustainable Development Goals¹ (SDGs),
 - having regard to its resolution of 7 July 2022 on Better regulation: Joining forces to make better laws²,
 - having regard to Rule 54 of its Rules of Procedure,
 - having regard to the report of the Committee on Development (A9-0019/2023),
- A. whereas Policy Coherence for Development (PCD) is a legal obligation deriving from the TEU and requires that the objective of development cooperation be taken into account in all EU policies likely to affect developing countries;
 - B. whereas effective coordination, integration and evaluation of all EU policies regarding their impact on developing countries is essential to achieve PCD;
 - C. whereas the EU's political commitment to PCD was reaffirmed in the 2017 New European Consensus on Development, which identified PCD as a 'crucial element of the [EU's] strategy to achieve the SDGs and an important contribution to the broader objective of Policy Coherence for Sustainable Development (PCSD)';
 - D. whereas the 2018 external evaluation report for the Commission revealed serious shortcomings in the implementation of PCD, including a limited role for EU delegations; whereas a recent study commissioned by Parliament found that major problems persist; whereas the absence of an adequate response to the findings of the external evaluation report and the lack of evidence that appropriate action has been taken undermine the credibility of the EU's actions on development cooperation; whereas the Council no longer holds regular exchanges with the Commission on PCD;
 - E. whereas the principle of PCD is laid down in Article 208 TFEU and is recognised within the EU institutions and within multilateral frameworks as being a tool to pursue sustainable development and as being important for the credibility and reliability of the EU in partner countries; whereas PCD aims to ensure that external action policies that are likely to affect developing countries are economically and socially consistent with the objective of EU development cooperation, the primary objective of which remains reducing and, in the long term, eradicating poverty, as well as increasing the effectiveness of development cooperation;

¹ OJ C 32, 27.1.2023, p. 28.

² Texts adopted, P9_TA(2022)0301.

- F. whereas the current global geopolitical context is marked, in particular, by the impacts of the COVID-19 pandemic, Russia's illegal invasion of Ukraine and its consequences, including a severe energy crisis, the refugee crisis, global debt distress and threats to food security and biodiversity, as well as climate change, and these problems are seriously threatening the global achievement of the SDGs such that a comprehensive response is necessary; whereas this further increases the need for effective implementation of PCD and of coherence and consistency between different policies, as in the case of the humanitarian-development nexus;
- G. whereas PCD mechanisms in the Commission include, among others, inter-service groups, stakeholder and public consultations, a PCD screening (tracker) of the Commission Work Programme, Tools 19, 27 and 35 in the impact assessment guidelines (revised Better Regulation Agenda), and the sustainability impact assessment of trade agreements; whereas the extent to which these arrangements are used varies and the quality of PCD work can only be measured by its concrete results; whereas there is no central body in the Commission responsible for the implementation of PCD; whereas in some cases the PCD analyses in the Commission's impact assessments for recent legislative proposals are still superficial (e.g. the proposed carbon border adjustment mechanism¹, and the Environmental Crime Directive²) or have not been conducted despite the clear need for them (e.g. the anti-money laundering package, the directive³ and regulation on corporate sustainability reporting); whereas this clearly shows that more action on the recommendations of the 2018 external evaluation of the PCD is needed; whereas EU delegations and EU Member States' diplomatic missions should play a stronger role in ensuring PCD in partner countries; whereas the lack of a holistic approach towards, and a clear definition of, PCD can undermine its objectives and effectiveness;
- H. whereas despite the obvious relevance of PCD for important EU initiatives such as the European Green Deal, trade policy, global and EU corporate taxation standards, or corporate sustainability due diligence, PCD's visibility on the European agenda and in partner countries has nevertheless decreased in recent years;

¹ Proposal of 14 July 2021 for a Regulation of the European Parliament and of the Council establishing a carbon border adjustment mechanism (COM(2021)0564).

² Directive 2008/99/EC of the European Parliament and of the Council of 19 November 2008 on the protection of the environment through criminal law (OJ L 328, 6.12.2008, p. 28).

³ Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU, as regards corporate sustainability reporting (OJ L 322, 16.12.2022, p. 15).

- I. whereas private sector involvement that serves development policy objectives, such as through blending operations, in which a limited amount of grant resources is used to catalyse additional financing, can effectively enhance PCD;
- J. whereas accountability, visibility and transparency are important aspects of development cooperation and must be applied to PCD; whereas a specific 'EU report on PCD' produced by the Commission every two years has been discontinued since 2019 and replaced by an EU report on the implementation of the SDGs produced every four years; whereas the Commission's reporting is mostly of a general descriptive character and of little help in assessing the effectiveness of PCD; whereas this underlines the need for clear PCD targets and indicators and transparent monitoring;
- K. whereas, as co-legislator and a contributor to policy-making, Parliament bears much of the responsibility for the EU's implementation of PCD; whereas its Committee on Development (DEVE) plays a key role in this through opinions to other committees; whereas for PCD to work properly a 'whole-of-Parliament' approach is needed, with active contributions from all parliamentary committees involved in different policies, which has so far rarely been the case; whereas there is a need for stronger coordination on PCD between the committees in Parliament;

The new geopolitical and policy context for PCD

1. Affirms that PCD is a substantive requirement in order to avoid EU policies having negative impacts on poor and vulnerable people in developing countries and to seek and take advantage of opportunities to achieve synergies, in line with the principles of Agenda 2030 entitled 'Leave no one behind' and 'Address the needs of those furthest behind first', and in pursuit of the development objective of reducing and, in the long term, eradicating poverty; reiterates that all EU institutions and Member States must comply with their PCD obligations under the Treaties in all legislative and policy initiatives likely to have an impact on developing countries; underlines that PCD should be applied across all policies and all areas covered by the 2030 Agenda; calls for a step change in the implementation of PCD to ensure that impacts on developing countries are properly identified and analysed, that negative impacts are avoided or minimised, and that full use is made of possible synergies with the pursuit of development objectives;
2. Calls for a communication that clarifies the application of PCD in the context of the SDGs and is accompanied by a time-bound action plan on PCD with a clear methodology and concrete quantitative and qualitative indicators to enable it to reach its goals, and with a division of tasks, mandates and timelines to allow the implementation of PCD by the EU and Member States to be

measured and to ensure the evidence base for accountability by including this in a new framework for transparent monitoring and coordination of development policies across the EU; calls for this communication to be published by 31 December 2023; calls on the Commission to provide a new external evaluation of the implementation of the EU's PCD by 1 July 2024;

3. Reiterates its call for a high-level EU strategy for the implementation of the UN's 2030 Agenda and the SDGs, which should be ambitious, integrated and grounded in human rights frameworks and should respect inter-generational equity; considers that PCD, which represents a unique EU contribution to the broader objective of PCSD, must be a central pillar of this strategy and should be included appropriately in the EU's 2023 voluntary national review of its implementation of the 2030 Agenda;
4. Underlines that PCD needs to remain a key part of the EU's external relations and calls for it to be given more visibility and for the EU to play a leading role in promoting PCD globally, most notably within multilateral organisations, including at the OECD Development Assistance Committee and at the UN, as well as through significant international agreements, in particular the post-Cotonou agreement, but not exclusively; recommends the establishment of an EU platform for PCD to allow for better coordination between the relevant EU and multilateral institutions, non-state actors and developing countries to ensure alignment and cooperation on PCD, to better cooperate on achieving the SDGs and to find new synergies on development cooperation between the EU and its Member States and with third countries;

A joint EU PCD agenda and differentiated actions by the Commission, Council and Parliament

5. Emphasises that PCD should be consistently applied to all relevant proposals; notes examples that have taken PCD into account, such as the recent proposal on products associated with deforestation or the directive on corporate due diligence;
6. Stresses therefore the need for clear, high-level political commitment to PCD and calls on the Commission to:
 - ensure that the necessary awareness, expertise and resources for the effective implementation of PCD are consistently present in all its Directorates-General (DGs) and the Secretariat-General, clarify the overall responsibility for the application of PCD within its services by attributing this responsibility to its Secretariat-General and instruct it to cooperate closely with the Directorate-General for International Partnerships in performing this task; ensure that the Secretariat-General plays a special

high-level political arbitration role between DGs in pursuing development policy objectives,

- systematically screen all planned Commission policy and legislative initiatives and trade agreements for possible impacts on developing countries at an early stage and in a transparent manner; instruct every DG in charge of the preparation of a specific policy initiative to consistently pay due attention to possible PCD aspects, both at the 'inception impact assessment' stage and subsequently; undertake detailed *ex ante* impact assessments, which should include the results of meaningful consultations with stakeholders, including partner countries, civil society organisations, research institutes, local and regional communities and inhabitants, indigenous peoples and the private sector, as well as input from EU delegations in developing countries,
 - ensure that at least one member of the Regulatory Scrutiny Board has sufficient experience and qualifications to analyse whether PCD aspects have been properly dealt with in initiatives under review, in particular using tool 35 (Developing countries) in the 'Better regulation toolbox',
 - make widespread use of systematic and transparent monitoring and carry out *ex post* evaluations of the impacts of existing EU policies and international agreements on the pursuit of development policy objectives, clarifying responsibilities where necessary, including in relation to the 'polluter pays' principle and for restoration and compensation resulting from the application of this principle, as well as proposing policy changes in those areas where negative effects have been identified and adopting measures to improve the quality of future impact assessments,
 - resume the publication of a specific annual accountability report on the performance of the EU and its Member States in relation to their development policy commitments, ensuring that this report adequately covers the implementation of PCD and the challenges met in that context, thereby increasing transparency and accountability to the public and Parliament;
7. Emphasises the critical role of the Directorate-General for International Partnerships (DG INTPA) in ensuring the implementation of PCD in the Commission and:
- calls on DG INTPA to actively and meaningfully engage with other DGs as early as possible through all available mechanisms to ensure that PCD is implemented in all relevant Commission initiatives and calls for DG INTPA to be involved in impact assessments as soon as an inter-service group is created,

- welcomes DG INTPA's complementary studies on the impact of key legislative initiatives on developing countries, but notes that these impacts should be fully analysed in the relevant impact assessment,
 - calls for the re-establishment of a dedicated PCD team within DG INTPA to coordinate and reinforce the PCD work within the DG's thematic units, and to ensure DG INTPA's continuous support for building and maintaining PCD awareness and competence in other DGs and in the Secretariat-General,
 - proposes that a future edition of the European Development Days be dedicated to PCD, bringing together all relevant stakeholders in a visible manner;
8. Believes that, if, in spite of determined efforts, an adverse impact of an EU policy on the pursuit of a development policy objective cannot be fully avoided, the 'Global Europe' instrument, which has limited resources, could be used to minimise only absolutely unavoidable impacts and to build positive synergies in developing countries; stresses, however, that opportunities for such action should only be considered as a very last resort and that relying on development aid should never be seen as a valid alternative to avoiding negative impacts; calls also for the EU Development Education and Awareness Raising Programme to include activities focused on PCD; calls, in this context, for research and knowledge of local institutes in developing countries to be strengthened to enrich EU consultations;
9. Underlines the critical role of EU delegations in implementing PCD and calls on the Commission and European External Action Service (EEAS) to ensure that delegations have the necessary expertise and resources to be actively involved from the outset in the preparation of EU policy and legislation affecting developing countries; considers that EU delegations in developing countries should, in particular:
- analyse the possible local impact of new EU policies and initiatives, identifying affected people and interests, organising multi-stakeholder consultations in partner countries, including with research institutes, civil society organisations, local and regional communities and inhabitants, indigenous peoples and the private sector, and take into account the information and views they put forward,
 - systematically include PCD among the topics to be discussed in policy dialogues with developing countries' local, regional and state authorities and a broad range of non-state actors, as well as in multilateral organisations; encourage the governments of partner countries to strive for consistency in their own policies and actions, so as to maximise the development effectiveness of EU support and other activities; share best practices between

the EU and partner countries, given the importance of international cooperation and of common goals and measures for the implementation of PCD,

- regularly monitor the impact of EU policies on developing countries and the progress of those policies and contribute to detailed, transparent and regular reporting on PCD, including through a chapter in the EEAS annual activity report dedicated to PCD, analysing the role and accountability of the EEAS,
 - strengthen communication in third countries and within the EU on the EU's PCD, its implementation and its results, so as to help increase the visibility of, and support for, the EU in partner countries;
10. Recognises the important role of Parliament and the Council as co-legislators, and calls for both institutions to carefully assess the impact on developing countries of their amendments to the Commission's legislative proposals; notes that this work will be facilitated by better quality initial Commission impact assessments;
11. Recalls the commitment to PCD affirmed by the Member States in the European Consensus on Development and stresses the importance of this commitment being honoured in the Member States' national policies; calls, therefore, on the Council and the Member States to:
- regularly include PCD on the agenda of the Working Party on Development Cooperation and International Partnerships (CODEV-PI) and the Working Party on the 2030 Agenda for Sustainable Development; promote further joint collaboration between these working parties to monitor the implementation of PCD closely,
 - strengthen the cooperation between the CODEV-PI Working Party, the 2030 Agenda Working Party and other preparatory bodies to ensure that PCD is implemented in the Council's position on relevant legislative initiatives,
 - devote appropriate expertise and resources, and establish coordination mechanisms, in their national administrations to effectively implement PCD and report on its implementation; underline that national parliaments have the potential to play an important role in promoting PCD,
 - establish better coordination between and among Member States and their relevant ministries on PCD, to hold regular peer reviews and to implement the recommendations made in previous reports and evaluations on PCD,

- organise, in cooperation with the Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy and the EEAS, an annual ministerial-level discussion on PCD at the Foreign Affairs Council, in its development configuration, and precede this with reporting on PCD implementation,
- adopt Council conclusions on each of the Commission's annual accountability reports called for by Parliament,
- ensure that, at the beginning of each Council presidency, awareness is raised on PCD issues in current and planned policies, problems are identified and solutions are sought,
- hold meaningful and regular exchanges on PCD between the Council, Parliament and the Commission using existing formats and adding specific meetings when necessary;

12. Declares its commitment to enhance its own PCD work, and for this purpose:

- calls on DEVE to clarify the role of its Standing Rapporteur for PCD and expresses its intention to improve PCD cooperation among its committees,
- calls for a 'PCD mainstreaming network' bringing together members of committees involved in legislation, other committees and delegations for relations with developing countries acting as focal points, in close cooperation with DEVE; recommends including PCD in the agenda of all outgoing parliamentary missions and ad hoc delegations to developing countries, and calls on all committees to consistently apply PCD in their legislative and other work where relevant,
- instructs the European Parliamentary Research Service (EPRS) to regularly screen the Commission's Work Programme for PCD issues, systematically analysing how PCD is dealt with in Commission impact assessments and relevant proposals, and to alert DEVE and other relevant committees without delay when important weaknesses or omissions are found; calls on the EPRS to support all committees in applying PCD in their reports,
- calls for more attention to be paid to PCD in strategic and budgetary decision-making processes; suggests involving sectoral commissioners in the annual structured dialogue and in the geopolitical dialogue on the implementation of the 'Global Europe' instrument,
- expresses its intention to strengthen its own awareness and expertise on PCD at political level by providing training and information on PCD for new and sitting MEPs, and at

administrative level, in particular among the staff of bodies involved in legislation;

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13. Instructs its President to forward this resolution to the Council, the Commission, the Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy, the European External Action Service, and the governments and parliaments of the Member States.