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BS/SB/TJ/sw

Mr. Andris Piebalgs  
Commissioner for Development  
European Commission  
Berlaymont  
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Letter sent by e-mail: [andris.piebalgs@ec.europa.eu](mailto:andris.piebalgs@ec.europa.eu)

Dear Commissioner Piebalgs,

I would like to thank you for the fruitful and positive exchange we had during our last meeting on September 6<sup>th</sup>. The ITUC, working in close collaboration with the European Trade Union Confederation particularly in areas such as international development, continues to look at the European Union (EU) with great interest, especially when it comes to development policies support, the EU being amongst the most generous examples of international cooperation.

We are now approaching a very important phase, characterised by various challenges, both at international and European level. First, the next High Level Forum IV on Aid Effectiveness in Busan (HLF-IV), where the main features of development cooperation policies and operational settings will most probably be redesigned. Also the EU is in the process of adopting the Multiannual Financial Framework (MFF) 2014-2020, which could give new drive to policy development priorities and instruments. Finally, the Structured Dialogue (SD) led by the European Commission has just come to an end, delivering important results and concrete indications on the role of Civil Society Organisations (CSOs) -with which trade unions are assimilated in this respect- in EU development cooperation.

On this basis, and also following our discussion, I would like to bring some crucial points to your attention as listed below, in the hope that they will be retained by your Directorate in the context of the HLF-IV, the MFF, and the follow up to the SD:

#### *Contribution towards Busan*

We are positive about the EC “proposal for the EU common position for the HLF-IV on Aid Effectiveness”, in particular when referring to the importance of strengthening “democratic ownership” of development strategies, conditions for an “enabling environment”, including “multi-stakeholder dialogues”, as well as, the acknowledgment of the Istanbul CSOs Principles.

- We would like to draw your attention to the fact that trade union organisations have adopted their own “**Trade Union Principles and Guidelines on Development Effectiveness**”, which are meant to complement the Istanbul Principles, contextualising

key features for trade unions to enhance the impact of cooperation programmes (See Annex1);

- The EC proposal also calls for closer **involvement by the private sector** in development cooperation (referring to Public Private Partnership-PPP and Corporate Social Responsibility-CSR). While we acknowledge the potential positive role of private actors as complementary partners in advancing innovation, creating wealth, income and jobs, we strongly highlight the need to tie their involvement to socially inclusive and sustainable development strategies, based on decent work and the respect for international labour standards. The concept of CSR, relating to engagements based on a voluntary character, seem therefore to be insufficient to guarantee this approach;
- Ensuring the participation of **social partners** (trade unions and employers' representatives), through social dialogue, in the design of development policies and strategies (regional and global level), as well as, monitoring at county level, will be the only way to foster equitable growth for sustainable development;
- We fully support the EU's role in **fostering global development architecture**, through policy coherence for development and coordination of Member States for improved harmonisation and transparency (see ITUC messages to Busan: "Towards a Comprehensive Paradigm for Decent work and Development Effectiveness" - Annex 2)

### *Contribution to MFF*

We congratulate the EC for proposing an increase to resources for the Development Cooperation Instrument (DCI), as well as, the requirement that expenditure under the DCI instrument must be classified as ODA. However, some critical points remain:

- **Decent Work** needs to become, in line with previous EU commitments, a strategic objective of the European Union future development policy, supported by adequate financial instruments ensuring its implementation, both in the DCI's geographic and thematic programmes;
- **Geographic programmes:** we highlight the fact that still 75 % of the poor are living in middle income countries (with bad distribution of wealth). This means that building up democratic and equitable societies, with strong social partners, should be still a relevant objective for the geographic programmes. For this reason, the policy choice to phase out the "wealthier developing countries" should be made on the basis of relevant indicators such as the UN human and social development, as well as, by international consensus (must be the prerogative of the OECD/DAC). In any case, all developing countries should stay eligible under the thematic programmes, which will consequently need to be more robust;

- The **support to CSOs** within the geographic programmes (through budgetary support) should be made independent from governmental control in order to make their action truly effective. To this end the thematic programmes should be reinforced, supporting partnership between local, regional and global CSOs;
- **Thematic envelope** for global public goods and challenges (notably climate change, energy, human development, food security, migration): support global initiatives on labour policies, employment, social inclusion, and decent work should be strengthened (at present poorly supported within the ‘Investing in People’ programme) and Social Dialogue, as a core element of the European Social Model, must also be prioritised;
- Regarding the future thematic envelope on **migration**: the main goals will need to focus on poverty reduction in partner countries, on creation of local employment opportunities in countries of origin, on fostering the link between migrants and the development of countries of origin, strengthening legal channels for potential migrant workers, boosting institutional collaboration and harmonisation of governmental migration policies in origin and destination countries through partnerships between social partners, CSOs and institutions at national and local level;
- **The envelope for non-state actors and local authorities**: we welcome the new shape of this programme aimed at empowering civil society organisations. However, we stress the need to adopt an “actor based approach” to support the diverse variety of actors, having different structures, objectives and mandates. In the case of trade unions, special attention should be paid to the support of transnational initiatives (at global and regional level) in order to reinforce individual organisations in partner countries, where they would not be able to operate otherwise because of the antagonistic position of governments (lack of enabling environment). In practice, this would translate into the need for increasing financial support of the existing Objective 3 (providing more space for initiatives in the South at national and regional level);
- We also encourage the EC to translate the **alternative funding mechanisms** (tool box developed during the SD process) into legal provisions in the financial instruments.

Limited financial support is foreseen for the European Instrument for Democracy and Human Rights (EIDHR). In addition, the promotion of economic, social and cultural rights, such as the labour standards enshrined in the ILO Conventions, should be given greater relevance. Indeed, there should be more balance between supporting “human rights urgencies” and backing for democracy development processes.

Finally, the EC should commit to providing additional financial support for climate action and development work in developing countries. In this respect, we welcome the EC proposal on the Financial Transaction Tax that opens new avenues. The ETUC will, of course, be involved in forthcoming discussions within the EU about how FTT proceeds might be allocated.

*Contribution to Structured Dialogue's follow-up*

We believe that dialogue is the main foundation for effectiveness. On the basis of the fruitful experience of the SD, and also on EC support for multi-stakeholders dialogues, we call on the EC to set up dialogue modality with the main development actors, which should be:

- **Representative** (including EU Institutions and CSO platforms as well as social partners), **participatory** (co-chaired by the different actors) and **permanent** (backed by sufficient financial resources from the EU budget)
- Based on both political strategies (on global challenges – the EU as a development player) and programming modalities of the main relevant instruments.

The consolidation at European level of this multi-stakeholder policy space could indeed launch a pioneering approach coherent to and in support of innovative global development architecture.

Finally, as discussed in our meeting, both the ITUC and the ETUC will be ready to contribute to the elaboration of the next EC **Communication on Social Protection** planned for 2012. We also think that setting-up tripartite dialogue on this crucial issue for development is essential, and we will work in this direction.

In this respect, we would like to receive information and guidance from you on how we could collaborate in the near future.

Yours sincerely,



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ETUC General Secretary



Sharan Burrow  
ITUC General Secretary