

Public Consultation on the External Financing Instruments of the European Union

Fields marked with * are mandatory.

Profile

* 1 You are/represent

- Citizen/individual
- Industry, business or workers's organisations
- EU platform, network, or association
- Organisation or association
- Public authority
- Consultancy
- Research/academia
- Other

* 2 Your name and/or name of your organisation

International Trade Union Confederation-Trade Union Development Cooperation Network (ITUC-TUDCN)

Contact person: Joan Lanfranco, Advocacy Officer, joan.lanfranco@ituc-csi.org, +32 2 224 03 05

* 3 Country of residence or location of headquarters

Belgium

* 4 E-mail

joan.lanfranco@ituc-csi.org

5 Identification number in the Transparency Register (if applicable)

51806831589-68

* 6 Your contribution

- can be directly published with your personal/organisation information.
- can be directly published provided that you/your organisation remain(s) anonymous.
- cannot be directly published but may be included within statistical data.

Evaluations - Looking at past experience

Development Cooperation Instrument

7 How well do you think the DCI has addressed its objectives? The main assessment criteria for the evaluation are: relevance; effectiveness, impact and sustainability; efficiency; EU added value; coherence, consistency, complementarity and synergies; and leverage. Feel free to comment on the findings, conclusions or recommendations for any/all of the criteria.

The DCI has empowered the trade union movement inasmuch it strengthened the International Trade Union Confederation's Trade Union Development Cooperation Network (TUDCN) into a sound initiative that is successfully advancing trade union priorities in development since 2008. Supported by the DCI, first through the Non-State Actors (NSA) Programme and more recently through the CSO-LA Programme, the DCI has facilitated and expanded the role of trade unions as actors of development in their own right, recognised by the actor-based approach that the EU has championed in the past years. The DCI clearly constituted an added value, particularly thematic programmes that mainstreamed decent work for all, as stipulated in the DCI Regulation. We believe that the DCI made a positive contribution in taking on board the priorities of workers and trade unions, namely by promoting the four pillars of the Decent Work Agenda (decent job creation, rights at work, social protection and social dialogue) throughout its thematic and geographic programmes.

8 How well do you think the DCI has addressed the objectives of development co-operation more specifically in Least Developed Countries? To what extent has the DCI had an impact on poverty reduction and sustainable development in Middle Income Countries, where pockets of poverty persist and which may play a critical role to tackle regional and global challenges?

From our own experience, the DCI has allowed trade unions in least developed countries (LDCs) and middle-income countries (MICs) to empower and increase their role as socio-economic actors. EU support through the DCI is increasing the capacity of trade unions in LDCs and MICs to engage in social dialogue, advocacy and negotiations with their government and employers, at national, regional and global level. That has the potential to have a direct impact on the poverty eradication and reduced inequalities, as trade unions fight for decent working conditions, social protection and dignified livelihoods for workers and their families. Decent working conditions, together with the defence of essential public services, triggers sustainable and inclusive development, as well as the attainment of the Sustainable Development Goals (SDGs).

9 The evaluation has found that many partner countries often disagree on the place and weight to be given to human rights issues and governance, which are part of the principles that guide the external action of the EU, including the DCI. Has the DCI enabled the EU to project its principles and values (e.g. democracy, the rule of law, human rights and fundamental freedoms)?

The DCI has contributed to the promotion of democracy, rule of law, human rights and fundamental freedoms and should continue to do so. Only democratic and open societies that give space to trade unions and CSOs in governance can guarantee inclusive and sustainable growth and development. Promotion of democratic governance should continue being at the forefront of EU external financing instruments. From the trade union perspective, promotion of rule of law and fundamental freedoms has a direct impact in our daily work, as they allow for freedom of association and assembly, and of social dialogue and collective bargaining. An empowered and representative labour movement allows to improve the livelihood of workers and their families, and has a crucial function of checks and balances to governments and employers/private sector. The opposite scenario is the continuous violations of human and trade union rights, the non-respect of labour, social and environmental rights and an increase in informal work or forced labour situations. In consequence, we defend an even higher focus by the EU and the DCI on programmes that support democracy, rule of law, human rights and fundamental freedoms.

10 The DCI accommodates internal EU policy concerns, such as migration and climate change, in external action. To what extent do you think the DCI has been able to adapt to shifts in policy and the external environment?

EU development policy and the DCI should not be used to stop migration and to control EU borders, but rather invest in decent job creation and in addressing systemic issues that prevent partners to achieve sustainable and inclusive development. ODA should not be made conditional to borders control or to increase national security borders. Using development funds to build the capacities of military actors and to provide them with equipment to manage migration raises the concern that donor interests are being prioritised over those of people in partner countries.

Trade unions believe that opportunities offered by migration should be matched with greater observance and respect of human rights for migrants, particularly those in a situation of forced and slave labour. EU development policy should work on the positive aspects of labour migration, but also the negative aspects which force people to migrate, including global inequalities, economic disparities and systemic issues. Moreover, forced displacement should be clearly distinguished from migration issues. Whereas migration has in most cases an economic motivation, forced displacement can be motivated by climate disaster, humanitarian need and conflicts like war, as well as human trafficking and forced and slave labour.

That is why the DCI should trigger economic, social and environmental progress in partner countries. The EU and its stakeholders should launch specific campaigns to put forward the benefits of labour migration, while informing on the causes of this migration (climate, conflict, crisis) and the challenges that migrant workers face.

Migration is recognised in the 2030 Agenda as potential development enabler. For this to work, migration has to be addressed through a human rights-based approach, targeting the root causes of migration flows, ensuring the respect for fundamental rights of migrants and deconstructing the discourse of the securitisation of borders.

The DCI's primary objective should continue being the reduction and, in the long term, the eradication of poverty. Whereas DCI allocations to support climate mitigation measures, more emphasis should be given in the support of a just transition with green jobs. DCI thematic and geographic programmes should take into account partner countries climate change risk, and the impact it will have on employment and human development.

The DCI can help address climate change and promote a just transition for workers and communities, based on renewable energy, sustainable forestry and agriculture, emission-free manufacturing, construction, transport and services, needed to keep the temperature rise to less than 2 degrees Celsius. Moreover, a significant shift in the capacity to recycle and reuse is vital to create a circular economy that ensures our way of life stays within planetary boundaries. Making the transition to zero carbon in our economies and societies is an imperative, but can only succeed if the transition is just. Ultimately, there are no jobs on a dead planet.

11 If you have any other views on the DCI you would like to share, they are welcome here.

In the future, certain programmes within the DCI such as Development Education and Awareness Raising (DEAR) could benefit from a more thorough application of the actor-based approach to development cooperation. Trade unions have a long history as actors of development education and awareness raising (see: <https://www.ituc-csi.org/TUDCN-DEAR-brochure>) and more targeted EU support could exponentially increase the outreach on the importance of DEAR among workers.

The Global Public Goods and Challenges (GPGC) Thematic Programme has decent work as a thematic area, including through the contribution to the decent work agenda). The MIP 2014-2020 approach to programming mentions the will to “work with those best placed to deliver”. Trade unions should be further considered as best placed to contribute to the achievement of decent work, through social dialogue as a driver of sustainable and inclusive development.

European Development Fund

12 How well do you think the 11th EDF has addressed its objectives? The main assessment criteria for the evaluation are: relevance; effectiveness, impact and sustainability; efficiency, EU added value; coherence, consistency, complementarity and synergies; and leverage. Feel free to comment on the findings, conclusions or recommendations for any/all of the criteria.

The political choice in the framework of the CPA for differentiation and preference given in terms of budget for the Least Developed Countries (LDCs) is one that we support. However, we would like to underscore that there needs still to be scope for joint programs in Middle Income Countries (MICs). The MICs host the bulk of the world’s poor, so targeting help to the poor and vulnerable groups in the MICs countries is fully coherent with the CPA's aim of eradicating poverty.

Joint partnership programs in the framework of the CPA in MICs remain necessary to help them address inequalities, (including aid to support wage policies, and aid on research and innovation and knowledge sharing) and mobilising domestic resources for development with focus on building up capacity in tax systems and in social security systems as essential redistributive tools and address good and transparent and inclusive governance systems. Allowing for space for joint programs with MICs is fully coherent with the objective of moving beyond the classical North South and donor recipient divide and move towards global partnerships which carry sufficient weight with the inclusion of MICs - for a common international agenda for Change and the globalisation of the EU’s agenda and mission, guaranteed by its Treaties, for the promotion of sustainable and inclusive growth.

13 Has the 11th EDF, for which partner country ownership is a specific feature, reflected the views of beneficiary countries and the full range of their constituencies (including civil society organizations)? Please feel free to provide some specific examples.

The participation of non-state actors should be maintained in a revised CPA as an important tool towards promoting democratic governance but should provide for improvement and strengthening of the implementation of the guiding principle, taking into account a thorough appraisal of practices in the framework of the current CPA. In actual practice non state actors involvement in CPA is limited; consultations of non-state actors are sparse, very formal and without much influences on political choices already made by EU. The access to funds for non-state actors is very limited and the funds are underutilised due also to the very heavy procedural constraints. Presently, non-state actors participation programs make up no more than 2,8% of the total budget of the EDF (11th), programs for non-state actors typically limited to capacity building.

In the framework of a revised CPA, the EU should promote good democratic governance by enhancing the promotion of national civil and social dialogue, and non-state actor participation in the three pillars of the CPA, cooperation program definition planning, monitoring and evaluation and trade agreements and political dialogue. Our call on EU is to see non-state actors as strategic partners, to be involved at the every stage of making of policies and programs in the framework of CPA, including the stage of implementation and monitoring of policies, programs and agreements.

Trade Unions call on EU to actively promote, whether in the framework of political dialogue, trade and investment agreements and policies and the sustainable development chapter and in the development cooperation program, trade union rights and social dialogue as prerequisites for democratic and transparent governance. All actors have their importance and a role to play, and the post-Cotonou Agreement should institutionalise the involvement of civil society and trade unions.

14 Do you think the regional and intra-ACP cooperation is efficient, effective and coherent with country level actions? Please provide reasons to support your response.

15 If you have any other views on the EDF you would like to share, they are welcome here.

Trade unions demand the mainstreaming of social policy throughout the post-Cotonou agreement and the new EDF, in the development cooperation program chapter, with stronger focus on decent work (SDG 8), including social protection, and the fight against inequalities (SDG 10), including wage policies; in the trade agreement with a strong chapter on sustainable

development with enforceable labour and environmental provisions, as well as in the political dialogue, with focus on participation of non-state actors and social dialogue as essential building stones for democratic governance. We believe that EU delegations in key capitals of ACP countries should include labour reporting officers with close relations with the social partners in those countries, as well as with the international social partners (including the ITUC and its relevant regional organisations) and with enhanced contacts with the European social partners, including the ETUC. We would encourage the EU to work closely with the International Labour Organisation (ILO) in the promotion of high labour standards.

Of equal importance is the Recommendation 204 (2015) on the transition of the informal to formal economy. This recommendation represent a real paradigm shift for ILO. It is the first instrument on the informal economy and stipulates that all workers have equal rights at work, whether in formal or informal work places. The recommendation appeals to governments to develop integrated policy frameworks to facilitate this transition based on the four pillars of the Decent Work Agenda. These policy framework need to be developed in national social and civil dialogue platforms.

The absence of a Decent Work Country Programme (DCWP) in a set country is more often than not a sign of absence of social dialogue and in particular the absence of democratic space for social dialogue. The EU can then play a very valuable role in promotion of participation of tripartite social dialogue in the framework of programmes on social protection, wage policies and on transition of the informal to formal economy.

Challenges with regard to decent work in ACP countries are first and foremost with regards to the growing informalisation of work - in African countries up to 90% of jobs - and the surge of precarious work, even in formal work places. Workers in the informal economy and workers in the grey zone of precarious working conditions suffer exclusion of decent work, across the board of the four pillars to the agenda on Decent Work: exclusion of productive jobs with living wages, exclusion from rights at work, exclusion from social protection and exclusion of trade union rights and social dialogue. The profile of informal sector and precarious workers are typically young workers, women, migrant workers, who should therefore receive attention as special target groups in our programs and policies.

Overall challenge remains the deficit in governance systems and of responsibility of many (but not all) ACP states to ensure respect of fundamental labour rights in the work places, be they formal or non-formal. This is certainly due in certain cases to manifest lack of political will, but also more often than not due to clear deficit in governance systems. Employment administration and services, labour inspectorate in particular, are weak; the judicial system responsible for upholding the law even so; in many countries labour courts are not functional or non-existent. Building up capacity in labour and social affairs, including social security systems and wage policies, at governmental level is a prerequisite for decent work, including social protection, and for the reduction of inequalities, and can be supported within the component of governance support of the CPA. Better

social and labour protection, will need better and more efficient taxation and especially the implementation of progressive taxation policies.

In the wake of the European External Investment Plan (EIP), coherence should be granted with the upcoming EDF, to ensure that no one is left behind and that intermediaries such as private sector comply with social, labour and environmental standards in their interventions in partner countries. Projects under the EIP should abide to development effectiveness principles and involve trade unions and CSOs along projects' cycles. The EFSD should ensure full transparency and accountability including via a scoreboard of indicators, establish an EU centralised Grievance Mechanism to ensure Human Rights are respected, include an Exclusion List to ensure that climate and environmental aspects are respected, and ensure that the EFSD objectives reflect a Sustainable Development Theory of Change.

European Instrument for Democracy and Human Rights

16 How well do you think the EIDHR has addressed its objectives? The main assessment criteria for the evaluation are: relevance; effectiveness, impact and sustainability; efficiency; EU added value; coherence, consistency, complementarity and synergies; and leverage. Feel free to comment on the findings, conclusions or recommendations for any/all of the criteria.

A first issue to be addressed, before the EIDHR relevance itself, is the coherence between EU policies and financing instruments in a partner country. As noted in the GPEDC HLM2 Nairobi Outcome Document, CSOs are experiencing a shrinking space in many countries, even countries benefiting of EU budget support. In these same countries rigid legislation is taking place on registration requirements for CSOs, funding from abroad, relations with foreign/international CSOs and networks, fiscal burden, etc. Without imposing conditionality, the coherence for development of policies in the partner country should be assessed when deciding for EU budget support or other EFIs. Otherwise EIDHR programmes in those country are just a plaster on open wounds.

However, the EIDHR 2014–2020 is quite consistently and theoretically structured in its Specific Objectives and the various types of support: CBSS, Global Calls, Emergency Grants, Targeted Action and Actors. But problems arise in the implementation.

If the financial regulation, CIR and PRAG have been really improved lately, allowing for the needed flexibility, unfortunately on the field, the effectiveness is very depending from EU delegation's different understanding and approaches. Some EU delegations do not even know about EIDHR Emergency Fund for HRDs at risk, and the Human Rights Crisis Facility.

More efforts should be done in order to connect international NGOs or CSOs (which could provide assistance, international awareness, networking with global institutions and campaigns, etc.) and grassroots CSOs. The opportunity of sub-granting (very welcome in the new regulation) could be scaled up with a proper ring-fencing, actor or thematic based (land rights, labour rights, migration, gender...) In fact, under Specific Objective 5, there is the "support to targeted key actors and processes, including international and regional human rights instruments and mechanisms" but usually the key actors are international organisations or institutional networks, rarely impacting on local CSOs. Global or Regional member based organisations could have more impact.

17 Are the current scope and components of the EIDHR (Human Rights, Democracy, Electoral observation) appropriately balanced to meet the beneficiaries' needs? Please explain your view.

Election observation missions should be out of the programme, since they can take place only in agreement with the government, and for this reason they can be funded under other EFIs. The EIDHR regulation states in art.1 "... it establishes a financing instrument for the promotion and support of democracy and human rights allowing for assistance to be provided independently of the consent of the government and public authorities of the third countries concerned" EOM accounts for about 25% of EIDHR funds, which could be available for the other 4 specific objectives.

18 Are the current priorities of the instrument appropriate? In particular, do you think that those countries where democracy and human rights are most under threat are appropriately supported? Please provide reasons to support your view.

The mere fact that a country has 'graduated' to a higher economic status does not mean that human rights and democracy have automatically improved. The contribution that the EIDHR can make in this regard is limited by the available budget but can nonetheless be used to provide support to key human rights and democracy issues, that coupled with an increased level of political dialogue and diplomacy, can help to address the 'gap'.

19 If you have any other views on the EIDHR you would like to share, they are welcome here.

Trade unions demand for economic, social and cultural rights-ESCR to be given greater importance within the EIDHR. As one of the ways of affirming ESCR, the ITUC/TUDCN stresses the importance of protecting every aspect of work - which is a crucial element of each individual's social identity. The ITUC points to the link between protecting work and all the associated rights set out by the International Labour Organisation (ILO) Core Labour Standards (Freedom of association and the right to organise, the right to collective bargaining, the elimination of child and forced labour) which should be given more importance in the EIDHR. Core Labour Standards are basic human rights, recognised by the ILO as fundamental rights, and equally endorsed by the EU.

The implementation of social dialogue, established as a model for reaching agreement between social partners in the EU, and recognised internationally by all states, employers and workers organisations in the ILO, should also be supported in third world countries, where it is precisely the dynamics of democracy that need to be exercised and strengthened. In this respect social dialogue is, by its very nature, an instrument of conflict-prevention as well as conflict-resolution among parties, being based on freedom of expression and association. On the basis of these arguments, trade unions call for the support of social dialogue as a specific priority within the EIDHR.

EU delegations should have a better understanding on the diversity of civil society, which includes actors such as NGOs, trade unions and cooperatives. Trade unions are actors of development in their own right, and have specific needs in terms of human and trade union rights that can be supported by EIDHR. The EU and EU delegations should profit from the valuable experience at the EU Policy Forum on Development, a multi-stakeholder initiative that brings together actors from diverse CSOs constituencies with a stake in development and development cooperation. Only with the right recognition by EU delegations of the added value of trade unions in partner countries, the EIDHR can make a holistic, comprehensive and effective contribution to improving and stabilising the situation of democracy and human rights worldwide.

European Neighbourhood Instrument

20 How well do you think the ENI has addressed its objectives? The main assessment criteria for the evaluation are: relevance; effectiveness, impact and sustainability; efficiency; EU added value; coherence, consistency, complementarity and synergies; and leverage. Feel free to comment on the findings, conclusions or recommendations for any/all of the criteria.

21 Is the incentive–based approach under the ENI regulation a sound framework for fostering further reforms in partner countries in the neighbourhood? Does it suit the present regional context and did it induce a measurable change in depth or rhythm of structural reforms? Please provide reasons in support of your view.

22 Does the European Neighbourhood Instrument, as it stands, in association with other EU external action financing instruments, have the capacity to contribute to the stabilisation of the region? Please provide reasons in support of your view.

23 If you have any other views on the ENI you would like to share, they are welcome here.

Greenland Decision

24 How well do you think the Greenland Decision has addressed its objectives? The main assessment criteria for the evaluation are: relevance; effectiveness, impact and sustainability; efficiency; EU added value; coherence, consistency, complementarity and synergies; and leverage. Feel free to comment on the findings, conclusions or recommendations for any/all of the criteria.

25 To what extent do the Greenland Decision and the partnership with Greenland contribute to the EU playing a more influential role in the Arctic region?

26 If you have any other views on the Greenland Decision you would like to share, they are welcome here.

Instrument contributing to Stability and Peace

27 How well do you think the IcSP has addressed its objectives? The main assessment criteria for the evaluation are: relevance; effectiveness, impact and sustainability; efficiency; EU added value; coherence, consistency, complementarity and synergies; and leverage. Feel free to comment on the findings, conclusions or recommendations for any/all of the criteria.

28 Do you think the IcSP is able in its current format to work on crisis response, address global threats to peace and to seize windows of opportunities to build peace? Please give reasons for your views.

29 To what extent have the means provided by the IcSP to-date proven effective in strengthening civil society and international organisations in their capacity to contribute to global peace and security?

30 Responding to security concerns that affect both third countries and the EU may imply working with authorities whose human rights approach can be challenged. Funding support to them, even after due precautions have been taken, implies certain risks. Can the EU still add value in such circumstances by the ICSP being more proactively engaged in sectors such as counter-terrorism, organised crime, and cybersecurity or should the IcSP rather limit its engagement? Please give reasons for your views.

31 Do you think that the focus of dialogues between the IcSP and other relevant donors has been appropriate to improve the global donor approach to stability and peace? Please give reasons for your views and/or suggestions.

32 If you have any other views on the IcSP you would like to share, they are welcome here.

IcSP funds are generally handled at EU delegation level. EU delegations should be aware of the contribution of trade unions to stability and peace, notably through social dialogue in post-conflict and peace-building phases. The EU and EU delegations should take trade unions into consideration in their call for proposals so that the IcSP can make a holistic, comprehensive and effective contribution to stability and peace in partner countries.

Instrument for Nuclear Safety Cooperation

33 How well do you think the INSC has addressed its objectives? The main assessment criteria for the evaluation are: relevance; effectiveness, impact and sustainability; efficiency; EU added value; coherence, consistency, complementarity and synergies; and leverage. Feel free to comment on the findings, conclusions or recommendations for any/all of the criteria.

34 Do you consider that concentration on accession countries and countries in the European neighbourhood area is appropriate? Please give reasons to support your view.

35 If you have any other views on the INSC you would like to share, they are welcome here.

Instrument of Pre-accession Assistance

36 How well do you think the IPA II has addressed its objectives? The main assessment criteria for the evaluation are: relevance; effectiveness, impact and sustainability; efficiency; EU added value; coherence, consistency, complementarity and synergies; and leverage. Feel free to comment on the findings, conclusions or recommendations for any/all of the criteria.

37 To what extent do you think the strategic orientation of IPA II and the political dialogue between the EU and the Governments in beneficiary countries is adequately addressing the desired improvement of a truly inclusive public consultation?

38 To what extent do you think the strategic orientation of IPA II and the political dialogue between the EU and the Governments in beneficiary countries are adequately addressing the key issue of fight against corruption?

39 If you have any other views on the IPA II you would like to share, they are welcome here.

Partnership Instrument for cooperation with third countries

40 How well do you think the PI has addressed its objectives? The main assessment criteria for the evaluation are: relevance; effectiveness, impact and sustainability; efficiency; EU added value; coherence, consistency, complementarity and synergies; and leverage. Feel free to comment on the findings, conclusions or recommendations for any/all of the criteria.

Although this instrument does not address CSOs and human rights priorities, it is remarkable to find amongst its objectives for 2014–2017 the promotion of policy dialogue in areas of EU and mutual interest such as transport, employment and social policy, as well as the support the Decent Work Agenda, Social Protection Floors, the Agenda for new skills and jobs, and the development of youth employment and social investment policies. Equally, among its priorities for 2014–2017 it is noted the support for comprehensive policy dialogues and possible technical assistance or bilateral/multilateral initiatives on employment and inclusive growth aimed at strengthening social cohesion, decent work and social protection. This is particularly salient as this instrument supports EU's relations with countries that are no longer eligible for bilateral development aid.

41 Do you think the PI was an adequate instrument to respond to global challenges and to advance EU and mutual interests and that it enhanced the EU's ability to engage on these issues? Please give reasons to support your view.

42 Do you think the PI has delivered relevant and useful results advancing co-operation and dialogue with a range of countries on issues such as climate change, the protection of the environment, energy, economic and trade relations or the promotion of the European Union's values? Please give reasons to support your views.

43 Do you think the PI has allowed the EU to engage strategically with countries that are not covered by other EU instruments and by focusing on policy issues for which no other funding sources are available? Has the PI been complementary to the other EU external financing instruments? Please give reasons to support your view.

It is important to point out that 'graduated countries'/MICs still have issues of inequalities and social dialogue, and it is something this instrument should support more broadly. Poverty anywhere is a danger to prosperity everywhere. The EU approach to middle-income countries (MICs) should be holistic and be based beyond macroeconomic indicators, which hide fundamental internal inequalities. The EU should take into account other indicators of economic performance, notably informal labour, social protection ratio, safety nets, wage policies, etc. MICs cannot be singled out as a homogeneous group of countries. They differ in terms of economic and social development, infrastructure and access to markets.

As research by trade unions has shown, a country 'graduating' as MIC does not ensure a sound and open participation of civil society and social partners in governance and policy processes. Therefore, support from the EU should focus on addressing this situation and promoting social dialogue and other multi-stakeholder frameworks to ensure inclusiveness and transparency of policy processes in MIC countries.

In the process of reducing ODA to MICs, aid to CSOs and social partners should be maintained to ensure their participation and influence in public life. As MICs progress economically, strategic aid should be channelled to address issues like social dialogue and collective bargaining, social protection and social security, upskilling and training for workers, fight against corruption, strengthening of institutions and of tax authorities, fight against tax evasion and illicit financial flows, regional integration efforts, conflict resolution, education, gender equality, inclusion of people with disabilities, youth policy and provision of essential public services.

44 If you have any other views on the PI you would like to share, they are welcome here.

Common Implementing Regulation

45 Your views on the findings, conclusions and recommendations of the CIR evaluation are welcome here.

Additional comments

46 If you have any other views common to several or all instruments you would like to share, they are welcome here.

Looking forward to arrangements for the External Financing Instruments post 2020

The External Financing Instruments which support the EU's external actions will expire at the end of 2020. The questions below are about possible, future options for EU external financing instruments. Respondents should not feel bound by current arrangements of the instruments and are encouraged to reflect openly and creatively. Where applicable, contributors are encouraged to illustrate their answers with experiences from other organisations/donors.

Structure and content

47 Considering the evolving EU policy framework (such as the EU Global Strategy for the European Union's Foreign and Security Policy and the 2030 Agenda and its Sustainable Development Goals) and key global challenges (such as sustainable growth and jobs creation, migration, security, peace-building, crisis response, environment and climate change), what kind of External Financing Instruments are needed after 2020 in terms of structure and content, bearing in mind the possible future of the European Development Fund? If relevant, justify the level of financial assistance needed compared to the current instruments.

The 2030 Agenda for Sustainable Development and the new European Consensus on Development praise decent work as a key driver to achieve inclusive and sustainable development. Only decent work and social protection can lift workers and their families out of poverty and provide them with an improved livelihood. Against this background, EU external financing instruments need to favour the creation of decent work opportunities, as well as the pre-conditions and the enabling environment for workers and trade unions to represent their interests and operate freely. Funds that have as objective to create job opportunities should guarantee that employment created is decent and conducive to sustainable and inclusive development. That includes the guarantee of freedom of association and assembly, the space for for workers to organise and engage in collective bargaining, the promotion of social protection floors and living wages, the ratification and respect of core labour standard and ILO conventions, the respect of human and trade union rights, and the establishment of social dialogue between workers and employers.

As the Council Conclusions on a New Global Partnership for Poverty Eradication and Sustainable Development after 2015 (26 May 2015) noted, “full and productive employment and decent work, including implementation of labour standards guided by, amongst others, ILO conventions and recommendations, are

key to addressing inequality and social exclusion. There should be adequate social protection floors and inclusive and equitable development measures should be integrated in relevant socio-economic policies. The right of social partners to freely negotiate and conclude collective agreements is essential. Social dialogue is crucial to strengthen democracy and to enhance transparency. In addition, to combat inequalities national legislation, policies and practices should be inclusive and ensure access to affordable, adequate and quality services and goods without discrimination". A new wave of EU external financial instruments should support these priorities.

The evidence that inequality is increasing in all corners of the world is overwhelming. Consequently, UN Member states and the international development community more generally, have identified inequality as one of the main and growing challenges for sustainable development. This is illustrated by Sustainable Development Goal 10 (SDG 10). The 2030 Agenda has further acknowledged that sustainable development can only be achieved through the creation of productive employment and decent work for all by enshrining it in SDG 8 respective targets of the SDGs. Fulfilling the four pillars of decent work – employment creation, workers' rights, social dialogue and social protection- are crucial to ensure that "no one is left behind". In light of global trends, the importance of social dialogue and collective bargaining cannot be understated in efforts to combat inequality. There is a need to reverse the current trends by promoting and supporting social dialogue and the role of the social partners.

Social dialogue is any type of negotiation, consultation or exchange of information between representatives of employers, workers and governments on issues relating to economic and social policy. It can take place at different levels, from enterprise-based, sectoral or inter-professional, to national and international. It can produce different outcomes from collective agreements at enterprise level, international framework agreements between multinational companies and global union federations that apply across a global supply chain, to national tripartite compacts.

Trade unions believe that the four pillars of decent work are equally important and mutually reinforcing. Consequently, any goal or target related to the decent work agenda will not be fulfilled unless all dimensions are realised, including social dialogue. It is notable that social dialogue is nowhere explicitly referred to in the 2030 Agenda, but is nevertheless a critical element for achieving decent work (for goal 8 but also many other goals, 1, 5, 10 and 16 for example).

Social Dialogue and collective bargaining play crucial roles in ensuring fair wage distribution, while also tackling informality. Addressing the issue of a minimum living wage for the "working poor", constitutes one of the most important priorities to fight inequalities. The erosion of workers' bargaining rights over the last decades explains to a large extent the current divergence between productivity growth and wage increases for a majority of workers. The divergence between wage increases and productivity is indeed at the heart of inequalities.

48 Do you see room for EU external assistance initiatives beyond the scope of the existing instruments, and if so in what fields?

If decent work with social dialogue is to be a key driver for sustainable and inclusive development, it needs crucial support from donors. In the wake of an increased role for private sector in development, trade unions claim the space they are entitled to as social partners. The EU Treaty recognises social dialogue as a founding pillar of EU's socio-economic governance. EU external policy, particularly EU development policy, should give the same emphasis in its relations with partner countries.

A specific external financing instrument aimed at social partners should support both employers' and employees' organisations (trade unions) as well as assisting in creating an enabling environment for social dialogue and collective bargaining to flourish. This includes, among other measures, the establishment and observance of freedom of association and assembly, the right to organise, the recognition and protection by states of social partners, the creation of consultative bodies (e.g. Economic and Social Councils based on the experience of the European Economic and Social Council - EESC, work councils, etc.) that allow social partners to become part of the socio-economic governance of partner countries. Social dialogue requires a strong democracy and strong social partners.

By supporting measures facilitating social dialogue in partner countries, social partners would benefit through ownership of national development and planning measures, while increasing accountability and transparency of government measures related to issues that affect workers and their families. For development to be inclusive and effective, all social actors must be involved. Trade unions and employers' organisations need to be at the forefront of partner countries' development, and contribute to national development targets, and ultimately to the achievement of the Sustainable Development Goals.

Complementarity, coherence and leverage

49 How can the EU increase the coherence between its external financing instruments and programmes supporting internal policies, notably those with a strong external dimension (e.g. migration, research, higher education)?

The 2030 Agenda is universal, obliging also the EU and its Member States. The EU external financing instruments also must fully align with the 2030 Agenda commitments. This necessarily means an alignment and coherence between EU internal and external policies, i.e. trade, human rights, climate change, with Policy Coherence for Sustainable Development (PCSD) as a guiding tool.

Internal policies of the EU clearly have an impact on EU partner countries. A clear example at Europe's consumption patterns, which have direct impact on food production, industrialisation and climate in third countries. Another example is a kind of investment that in theory promotes private sector development in partner countries, but most often than not it fails to create decent jobs that lead to sustainable and inclusive development (see: www.ituc-csi.org/DFI-study).

The increasing promotion and support of investments by the EU and its Member States in third countries via development finance institutions should be accompanied of clear criteria for engagement of EU private sector in mechanisms such as blending and public-private partnerships (PPPs), including the respect of core social, human, labour and environmental rights. The failure to respect such rights should result in exclusion from this funding, and appropriate redress and due diligence when applicable.

Another important aspect to increase the coherence between internal and external policies is to promote development education and awareness raising (DEAR) on the living and working conditions in countries that supply the EU market, and the consequences it can have in terms of decent work, climate and migration. Development Education and Awareness Raising (DEAR), a domain in which trade unions have been involved for decades, should be a prominent element in future external financing instruments, particularly given the many challenges the 2030 Agenda seeks to address, which necessitate a deeper involvement of citizens and workers for their realisation.

50 How to improve the complementarity between the EU's external assistance and the external assistance of its Member States, as well as the right articulation with other actors' cooperation (e.g. third countries, international organisations, private sector, development banks)?

Trade unions demand an increased accountability of the private sector as an increasingly important actors in development and development cooperation. While trade unions understand the contribution the private sector can make in job creation and economic growth, this should not prevent greater responsibility and duty from the private sector and multinational enterprises, to ensure their involvement in developing countries truly benefits the societies in which they operate. The goal of any private sector

engagement in development should be producing positive development outcomes and this should not be obscured by the drive to create and increase profit.

Business compliance to binding social and environmental standards must be granted in order to achieve sustainable development. Compliance with ILO labour standards and environmental commitments, social dialogue, corporate accountability/transparency, country ownership, and development effectiveness principles must be the key compulsory criteria for any participation of private-sector actors in poverty eradication efforts and transition to sustainable production. Responsibility cannot be a voluntary concept as it concerns accountability for the consequences of one's actions. Moreover, the UN Guiding Principles on Business and Human Rights are clear that business enterprises must respect all of the recognised human rights. Operationalising UN Guiding Principles are essential to any private sector role in rights-based development programs. Due diligence and addressing negative impacts of business activities are the essence of this approach and constitute the expectations of what constitutes responsible business behaviour.

Adherence and implementation of internationally recognised guidelines and principles concerning business behaviour and their accountability instruments (namely the ILO Conventions and standards, including the ILO Declaration on Principles concerning Multinational Enterprises and Social Policy, the OECD Guidelines for Multinational Enterprises, the UN Global Compact and the UN Guiding Principles on Business and Human Rights) should become key conditions to grant private sector support in development cooperation. Compliance should be linked to eligibility and an adequate monitoring system should lead to suspension of financial support in case of violations. To ensure policy coherence, the EU should also include these accountability mechanisms in the policies of investments banks such as the EIB.

Both private sector/employers and trade unions are social partners, therefore trade unions would like to see that efforts to boost the private sector as an actor in development cooperation are equally addressed to include trade unions in EU external financing instruments.

The EU should promote a global framework, modelled on the development effectiveness principles that can also be applied to all forms of support to the private sector. This should particularly include, alignment with the country's development priorities and an inclusive approach to citizen engagement (i.e. CSOs, trade unions (through social dialogue) and local communities, in addition to private sector actors). These principles must be consistent with democratic ownership and the use of country systems including in public procurement including fully untying aid to ensure that aid resources can be used most effectively and efficiently and can target strategic partners in the private sector, namely those contributing to sustainable development and more specifically respecting ILO standards.

From the trade union perspective we underline the importance of taking very seriously the role and the impact of the international financial institutions in development cooperation, in the light of the recent experience. Unfortunately, this has mostly ended up in unconsidered deregulation and

privatisation of public goods and services and inadequate development support strategies. Governments have been reduced to less than the minimalist state and blind confidence in the invisible hand of the free market has not delivered but provoked rampant informalisation and precarisation of working populations, which has seriously darkened the prospects for the new generations. Having said that, financial institutions could facilitate local investments by providing technical knowledge and other input for business plans and consultancy for business options, along with micro-credit schemes and affordable loans, prioritising the building up of human capital.

51 To what extent and how best should the EU leverage additional funds (public and private) through innovative mechanisms, like blending, guarantees and trust funds?

Private sector has been upgraded as a main actor for development finance. While trade unions acknowledge the role of private sector in creating jobs and growth, we denounce the privatisation of the development agenda, and the uncritical approach taken by international organisations and development finance institutions of mechanisms such as blending and public-private partnerships (PPPs). Trade unions insist on greater transparency and accountability for blending mechanisms, which can become instruments for tied aid. Furthermore, the often blind support for PPPs in developing countries - as opposed to traditional public procurement and public services - is irresponsible in the view of trade unions.

The labour movement has serious concerns about PPPs schemes for financing infrastructure and services because of the complexity of the contractual arrangements (as compared to traditional public procurement), the unequal and uncertain distribution of risks between government and private investors and, importantly, because of the threats to public services. In practice, PPPs have often proven to lead to over-priced public services as well as to situations, where gains are privatised, while losses are socialised.

EU and member state development finance institutions (DFIs) are increasingly channelling public money for private investment in developing countries. Special attention should be paid to the assessment and reporting related to new instruments on 'leveraging' aid modalities such as blending, guarantees, equity investments and PPPs. Blending and PPPs are often used for implicit support to public subsidy of European/international businesses operating in developing countries, risking undermining country ownership and untied aid commitments.

52 Should the instruments be geographically or thematically structured, or is a mix of both more convenient? What delineation should there be between the corresponding instruments /programmes?

Trade unions strongly support thematic programmes as complementary to geographical programmes. Thematic programmes allow to work on main priorities which are crucial to achieve the SDGs, such as decent work and social dialogue, poverty eradication and reduction of inequalities. A focus on thematic programmes would streamline the EU's strategy to support SDGs attainment in partner countries, by focusing on specific goals and targets. The SDGs are an universal agenda that oblige EU Member States and partners alike, regardless of geographical region. The right mix between geographic and thematic programmes is the one that works towards achieving the SDGs through sustainable and inclusive development with decent work and social dialogue.

Flexibility and simplification

53 To what extent should the External Financing Instruments ensure more flexibility (currently limited, for example, through long-term, ring-fenced envelopes), in order to better respond to evolving challenges – while preserving predictability and long-term engagement with partner countries (where the latter is needed)?

54 Should EU external assistance focus more on approaches based on incentives?

The EU should explore the possibility of linking its cooperation more to the respect for human rights and good governance, which indeed are core values of the Union itself. In doing so, the EU should grant improved coherence between its development cooperation and other external relations policies, like trade. The EU should use the Sustainability Impact Assessments (SIAs) as the basis for designing free trade agreements and association agreements that will be better and more beneficial for all. The trade agreements should also allow developing countries to develop value-adding industries and to diversify their production as well as building the general resilience of their economies.

The European Generalised System of Tariff Preferences for the Least Developed Countries (GSP+) should foresee measures for the application of the specified international Conventions and not mere ratification. The EU should also provide technical assistance and finances in order to help developing countries apply the Conventions in practice in cooperation with the ILO and the other International UN Organisations. The European Union should also utilise its Generalised Systems of Preferences in order to promote respect for the ILO core labour standards and human rights and to promote sustainable development and good governance. The EU should also raise its capacity to conduct effective and rapid investigations and should exert pressure on developing countries' governments, including by suspending GSP rights, to correct potential abuses of human and labour rights.

In this sense, there is no complete dichotomy between for the EU to pose conditions to its external cooperation on one hand, and the principles of ownership and alignment with beneficiaries on the other hand. Conditionality should be re-framed in order to be beneficial to both parties involved, on a more balanced logic, and it must be consistent with/refer to the legal international framework and mechanisms.

55 Should the design and delivery of EU external assistance be further simplified, and if so, how could this be achieved?

The SDGs should serve as guideline for EU external assistance, as well as the new European Consensus on Development which fills the SDGs gap and provides a roadmap and added value to EU development policy. The SDGs have clear targets to achieve, and the new Consensus outlines clear priorities and drivers of sustainable development. All EU external assistance should contribute to the achievement of the SDGs, including through the support to decent work and social dialogue.

Additional comments

56 If you have any other views on the future instruments you would like to share, they are welcome here.

CSOs and trade unions should continue to be consulted regularly throughout the process of the mid-term review and the MFF post-2020. Sustained and significant support to CSOs as actors of governance and as contributors to the implementation of the SDGs is crucial to achieve sustainable and inclusive development that leaves no one behind.

Contact

europaaid-06@ec.europa.eu
