

## Trade Union response to the adoption of the “NDICI-Global Europe” Regulation

*Brussels, 14 June 2020*

The ETUC and ITUC welcome the adoption of the “NDICI-Global Europe” Regulation, reflecting positive achievements related to objectives, priorities and governance modalities. In line with our asks, the Regulation includes the Sustainable Development Goals as key objectives, decent work, the ILO standards and due diligence among its development cooperation priorities, and more inclusive and transparent impact assessment mechanisms. Strong limitations remain in the area of migration management and in relation to the Regulation’s overall budget cuts.

### 1) SOLIDARITY OVER SELF-INTEREST

- In principle, we support the adoption of a unique instrument for the EU’s external financing, due to its potential to enhance the accountability, efficiency and coherence of the EU’s external action. At the same time, we call on the EU to ensure that its decision to adopt a single instrument does not come at the cost of **diluting development cooperation commitments into broader EU external relations objectives**.
- We welcome the explicit inclusion of **poverty eradication and the promotion of the Sustainable Development Goals as key objectives of the Regulation**. Such improvements establish a better balance between the EU’s solidarity commitments on the one hand, and the instrument’s increasing focus on the EU’s own geopolitical interests on the other (both geographically, focusing on the Neighbourhood and Africa, and thematically, emphasising trade, security and migration).
- In line with our call to ensure **policy coherence for development**, we support the reference to the need to consider the impact of all internal and external policies on sustainable development, including **trade policies**. We call on the EU to hold true to this commitment, reversing current trends and preventing that EU’s economic interests from jeopardising partner countries’ development objectives.

### 2) REORIENTING PRIORITIES (AND BUDGET)

- In terms of overall budget, we note with disappointment the deep **cuts in the budgetary envelope**. If the EU wants to be at the forefront of 2030 Agenda implementation and COVID-19 recovery, its development cooperation resources need to match the urgency and gravity of the challenges faced by partner countries.
- Positive improvements have been made in the distribution of the budget: we very much welcome the inclusion of a **strong and legally binding Official Development Assistance (ODA) target of 93%**, as well as strengthened **targets on gender equality, climate and human development**.
- We equally welcome the **increase of the budget for thematic programmes**. Thematic programmes are crucial to properly address global and transnational challenges, included those related to the shrinking civil space for civil society organisations and trade unions. Moreover, the COVID-19 pandemic has dramatically shown the need for global responses enhancing national efforts in dealing with global threats.

### 3) MORE DECENT WORK AND SOCIAL DIALOGUE

- SDG 8 on decent work and economic growth is an indispensable building block of sustainable development. In the context of the pandemic, **trade unions demand an SDG-driven response to the COVID-19 crisis with SDG 8 at its core**, promoting inclusive and environmentally sustainable growth and decent work for all.
- With this premise, we very much welcome the references to the **Decent Work Agenda and the ILO standards included in the areas of cooperation of geographic and thematic programmes** (including the full application of ILO core labour standards, social dialogue, fight against child labour, occupational health and safety, gender equality, living wages, youth employment, social protection and corporate social responsibility). We call on the EU to support social partners' capacity building to engage in meaningful social dialogue for the implementation of these priorities. Lastly, prioritising decent work also implies promoting climate-friendly job creation and just transition in the cooperation priorities related to climate action.

### 4) BUSINESS ACCOUNTABILITY

- We welcome the inclusion of references to **responsible business conduct and due diligence** in the areas of development cooperation of both the **geographic and thematic programmes**, as this contributes to the alignment of private sector operations with the SDGs.
- Stronger accountability mechanisms are equally welcome on the **European Fund for Sustainable Development Plus (EFSD+) and the External Action Guarantee**. We welcome the improvement of the **criteria** for the selection and impact assessment of projects, including criteria related to the creation of decent jobs, development additionality, ex-ante assessments with regard to human rights, environmental, labour and social standards, full respect for international human rights law as well internationally-agreed guidelines, principles and conventions on investments.
- We equally support the introduction of a **maximum amount** to provision the **External Action Guarantee**, as an element of caution to allow for periodic assessment of the development impact of the Guarantee.
- Lastly, given the pivotal role that the **European Investment Bank (EIB)** will play in the implementation of the Instrument, we welcome the explicit reference to the need for the EIB to comply with overall objectives of the Regulation and those of the EFSD+, as well as with the relevant programming documents and the reporting obligations.

### 5) HUMAN RIGHTS FIRST (MIGRANTS INCLUDED)

- The universality and indivisibility of **human rights** and fundamental freedoms is recognised as a cross-cutting principle of the Regulation. Such a principle is well reflected in the inclusion of **ex-ante assessments** to determine the possible implications of actions financed with regard to human rights and social standards, as well as in the **possibility to suspend assistance** to a given country in cases of persistent violations of human rights, democracy and the rule of law.
- On the other hand, the commitment to the Human Rights-Based Approach seems to vanish when it comes to migration policies: despite the trade unions' repeated demands to abstain from conditioning the allocation of development aid to cooperation on migration management, a **migration conditionality remains in the text**. Trade unions stress the need to adopt a human rights-based approach to migration in implementing the Regulation, by focusing on poverty reduction in partners countries, creating decent employment opportunities, safeguarding the rights of potential migrant workers and boosting institutional collaboration and harmonisation of governmental migration policies in origin and destination countries.

## 6) STRONGER GOVERNANCE

- The achievement of NDICI-Global Europe objectives will only be possible through a comprehensive, transparent and accountable system of monitoring, reporting and evaluation. We thus welcome the improvements made during the negotiations of the instrument in terms of reporting mechanisms and **increased transparency** of actions financed under this Regulation (such as the commitment from the Commission to establish **checklists of eligibility criteria for investment operations under the EFSD+**).
- We welcome a general improvement of language on **multi-stakeholder dialogue** with CSOs in the NDICI-Global Europe implementation, as a *conditio sine qua non* for democratic ownership of development processes, while clarifying that social partners' meaningful participation should be granted in the design and associated monitoring processes of programmes.
- A stronger **involvement of the European Parliament and the Council** in the implementation of the Regulation also constitutes a positive improvement to guarantee democratic screening and accountability of EU development policies.

Given the dramatic impact of the COVID-19 crisis and the increasing distance from SDG targets, an unprecedented ambition in terms of development cooperation is needed. We call on the EU to lead the way in making a New Social Contract a reality in the SDG Decade of Action, by putting solidarity at the centre of NDICI-Global Europe implementation and by engaging with social partners as key allies in turning commitments into action.