



Key trade union messages on the EC Proposal for a Regulation establishing the Neighbourhood, Development and International Cooperation Instrument (NDICI)

1) DEFENDING THE EU'S VALUES

The NDICI proposes a radical change in the financing set-up of European external action, by merging 11 of its current instruments and programmes. Such architecture has the potential to foster simplification and complementarity, as far as it will be able to reconcile EU development objectives with domestic and foreign policy priorities. Nevertheless, so far the main driver behind the NDICI seems to be the EU's urgency to safeguard its own interests, both geographically (focusing on the EU Neighbourhood and Africa) and thematically (emphasizing security and migration). In that sense, we reaffirm that simplification of the EU external funding architecture cannot come at the cost of diluting the EU's values and principles. More specifically, **development cooperation commitments cannot be subordinated to broader EU's external relations objectives.**

2) RETHINKING THE PRIORITIES

- **A better balance between the geographic and thematic programmes:** the current proposal clearly prioritizes geographic approaches (with 76% of the budget allocation) over thematic ones (with 8%). In our opinion, **the budget for thematic programmes should be considerably increased**, in order to ensure global and transnational challenges are properly addressed. Indeed, the areas included in the thematic envelope (such as Human Rights and Democracy) are at the core of the principles of EU's external action. Moreover, within the thematic programmes **a much greater allocation for the Civil Society Organisations (CSOs)' programme is needed**. This is essential to guarantee the coordination of the work of CSOs, including social partners, at the regional and interregional level; moreover, it is vital in a context of shrinking civic space in which the support through geographic programmes will be more difficult.
- **Reducing allocations for vague objectives:** 11% of the budget is allocated to the so called “**emerging challenges and priorities cushion**”, a totally flexible reserve for “unforeseen circumstances, emerging challenges and new priorities”. Another 5% of the budget is assigned to a “**rapid response**” pillar, which aim of “addressing foreign policy needs and priorities” can be broadly interpreted. **We suggest reducing those envelopes, while clarifying the governance and accountability mechanisms**, in order to balance flexibility with predictability and ensure the development impact.
- **Promoting Decent Work and Social Dialogue:** we welcome the references to the Decent Work Agenda in the areas of cooperation of both the geographic and thematic programmes. These will however need to be supported through the capacity building of the social partners to engage in meaningful social dialogue, so that they can ensure the implementation of these priorities, especially as far as the External Investment Plan is concerned. Moreover, prioritizing decent work also implies promoting green jobs creation and just transition in the cooperation priorities related to climate action.
- **A Human Rights Based Approach to Migration:** with 10% of the budget dedicated to addressing the “root causes of irregular migration”, the NDICI approach seems to put a stronger emphasis on avoiding the entry of “irregular” migrants to Europe, than on creating the conditions for sustainable



development in the countries of origin. In this sense, we stress the need to adopt a human rights based approach to migration, by focusing on poverty reduction in partners countries by creation of employment opportunities, safeguarding the rights of potential migrant workers and boosting institutional collaboration and harmonization of governmental migration policies in origin and destination countries.

- **Avoiding securitization of cooperation:** the links between development and security are of concern. In particular, we are worried about the use of development funds for the capacity building of military actors in partner countries, even if it is to deliver security for development activities. Despite the EU's commitment to "preserve peace and strengthen international security" (Lisbon Treaty), the current proposal seems to focus more on EU's own concerns, than on overall collective global security.

3) IMPROVING THE GOVERNANCE

- **An effective and inclusive monitoring, reporting and evaluation system:** the achievement of NDICI objectives will only be possible through a comprehensive, transparent and accountable system of monitoring, reporting and evaluation. Multi-stakeholder and participatory policy dialogue with Civil Society Organizations, including Trade Unions, must be ensured throughout the implementation of the programmes, as a *conditio sine qua non* for democratic ownership of development processes. In addition, the European Parliament must be fully involved, to guarantee democratic screening and accountability of EU development policies.
- **Ensuring blending delivers on development results:** a specific chapter (Chapter IV) has been dedicated to the European Fund for Sustainable Development Plus (EFSD+) and the External Action Guarantee, two instruments focused on blending and budgetary guarantee operations in the framework of the External Investment Plan. Besides the lack of clarity on how much budget will be allocated for blending, we believe that crowding-in additional resources from the private sector presents high risks in terms of development impact, in absence of adequate safeguards. Thus, we strongly demand increased accountability and transparency mechanisms for private sector engagement in development cooperation in the NDICI framework, through binding criteria for eligibility and compliance with international labour standards, fiscal and environmental rules and instruments granting responsible business conduct. Likewise, in order to guarantee that the references to decent jobs included in this chapter of the Regulation can be effectively implemented and monitored, on the one hand trade unions should take part in the strategic board of the EFSD+; on the other hand, the list of key performance indicators under Annex VII of the Regulation should also include an indicator on the number of decent jobs created.