

Public Consultation EU-PCD (Policy Coherence for Development)

1. Do you consider that the way in which PCD has been implemented in the EU has been/is relevant?
Yes

Please explain here why you think this is the case

- The EU is an important player in terms of development finance and policies, and acts on behalf of Member States in policy areas of key importance to developing countries such as trade, agriculture, fisheries and intellectual property protection. Through PCD the EU aims to take development objectives into account in all its policies that are likely to affect developing countries. By minimizing harmful impacts of policies in areas other than aid to developing countries and maximizing the positive effects, PCD by the EU benefits not only developing countries but also increases the effectiveness of EU development cooperation.
- PCD by the EU is vital for the success of the SDGs, most notably in developing countries: PCD plays a role in addressing specific obstacles, for instance in the area of trade and finance, which prevent developing countries from generating funding and achieving the SDGs. The fundamental importance of PCD for reaching the SDGs has been acknowledged in the EU Consensus on Development of June 2017 and the Council Conclusions on the Commission Communication on Next steps for a sustainable European future (adopted by the General Affairs Council on 20 June 2017).
- The EU has demonstrated sustained progress in terms of making policies more coherent: the last bi-annual progress report (covering 2013-2015) shows progress has been made across the board, most notably in the areas of agriculture and food security. Member States have also made substantial progress.
- At the same time there is room for improvement in terms of PCD implementation, as identified in the 2013-2015 progress report, including (1) increasing the role of EU delegations and embassies of Member States in terms of monitoring and reporting coherence problems (2) systematic impact measurement and incorporating the results of impact assessments in policy and programs and (3) integrating PCD in the EU approach to implementation of the SDGs. In order to remain relevant, the European Commission and Member States should take these issues into account.

Note: while the consultation covers the period 2009-2016, it is difficult to evaluate progress made by the EU more recently (and including 2016), since the progress report covering the years 2016 and 2017 has not been brought out and will be integrated with the forthcoming SDG progress report by the EU.

- 1.1 Has it responded well to the evolving (past and current) needs of developing countries? **Yes**

Please explain here why you think this is the case

The EU has in the past focused on twelve policy areas, which were clustered into five policy areas in 2009, reconfirmed in the EU Consensus on Development of 2017: (1) trade and finance, (2) environment and climate change, (3) food security, (4) migration and (5) security. These areas continue to be important areas of attention today, with the first topic covering important means of implementation for developing countries (a key goal of the 2030 agenda for sustainable development: SDG 17). In the implementation of the SDGs at EU level it could be worthwhile to have a close look again at the PCD priorities to see whether these accents are fit for purpose since they have not changed since 2009.

- 1.2 Has it responded well to its institutional changes at the Commission level and the European External Action Service? **Yes**

Please explain here why you think this is the case

The establishment of the European External Action Service in 2011 and the adoption of the EU Global Strategy in June 2016 have widened the opportunities to follow and implement a genuinely

comprehensive approach. In a context in which all elements of EU external policy have been brought together, it is more likely that questions of policy coherence will surface. The same line of thought is applicable to inter-service consultations.

1.3 Has it responded well to EU's development objectives? **Yes**

Please explain here why you think this is the case

The 2017 EU Consensus on Development has aligned the EU's development policy with the 2030 Agenda for Sustainable Development, and reconfirms the importance of PCD, with a focus on the five aforementioned thematic areas.

2. In your opinion, is the way in which PCD has been implemented in the EU coherent with wide EU policy and involving international obligations of the EU? **Yes**

Please explain here why you think this is the case

The EU aims to fulfill the interests of its Member States, its international obligations while at the same time taking into account the interests of developing countries. Coherence between actions in these areas in the end is furthered by the fact that many of today's challenges are shared challenges, e.g. conflict and instability/insecurity threatening welfare and wellbeing abroad, most notably in developing countries, while at the same time having an impact in the EU (for instance through migration). The same is true for climate change (note that these are also PCD priority areas of the EU). These challenges are captured by the 2030 agenda for Sustainable Development to which policies of all development actors, including the EU and its Member States, are being aligned.

3. Do you consider that the use of PCD tools and mechanisms has been effective and efficient in influencing EU policies likely to affect developing countries so that they take account of development objectives? **No**

Please explain here why you think this is the case

Yes, several tools and mechanisms have been effective and efficient, but we have several concerns and we believe that improvements can be made:

- The Netherlands considered the bi-annual report on PCD to be a very strong instrument to monitor progress at EU level on PCD, and assess the effectiveness and efficiency of EU policies in specific areas. However, this way of reporting was discontinued and will be replaced by an integrated report on SDG progress at EU level. We look forward to the forthcoming report, which should pay sufficient attention to PCD.
- Regarding impact assessments that are carried out as part of the Better Regulation Agenda, tool #34 specifically looks into the impacts on developing countries. We consider this a priori a very strong instrument for ex-ante policy coherence for development. Nonetheless a recent Concord report concluded that implementation of this tool could be improved, notably that the Commission could more often consider impacts on developing countries when carrying out impact assessments and that it can improve the way in which this is done. In this respect we welcome the recommendations to increase capacity for this type of work, to improve dialogue with, for example, NGOs and civil society in the consultation process and improve communication and transparency around decision-making processes at the Commission. The Commission may also consider aligning this tool (and perhaps other tools of the Better Regulation Tool Box) with the SDGs.
- Training and exchanges/dialogues on PCD has proven useful to engage EU delegations and embassies/developing country governments in the monitoring of potential problems and solutions to coherence issues. The latest bi-annual report suggests that this requires further attention.
- Commission Work Programme: we highly valued the regular screening of EU initiatives for PCD relevance that was in the past sent to PCD focal points. It helped bringing PCD issues to the attention of policy makers. We therefore hope this will be continued in the future.
- Inter-service consultation: Interservice consultation makes it more likely that different perspectives (including those related to the interests of developing countries) are taken into account.

- Informal EU Member States network: the Netherlands highly values the Community of Practice of likeminded countries/frontrunners on PCD (with EU and OECD as observers, and facilitated by ECDPM) as a forum for exchange and learning on specific PCD themes and overarching approaches to monitor progress.
4. Do you consider that honoring the commitment to promote PCD by the EU has created additional value, beyond what could be achieved by the EU Member States acting independently? **Yes**

Please explain here why you think this is the case

See also Question 1. The EU is an important player in terms of development finance and policies, and acts on behalf of Member States in policy areas of key importance to developing countries such as trade, agriculture, fisheries and intellectual property protection. The EU has been working on PCD thematic areas where it can truly make a difference. Its leading role in development finance and international policy has set an example for EU Member States, including the Netherlands, to follow suit and set their own PCD priorities where they can make a difference. Moreover, the EU has convening power, that Member States on their own are unlikely to achieve.

5. Are you aware of any positive/negative effects the 4 EU policies listed below may have had on developing countries around the world? The EU policies/initiatives concerned by this question are the following: a) Global Approach to Migration and Mobility; b) EU Action Plan against Wildlife Trafficking; c) Common Fisheries Policy (reform of 2013); d) Generalised Scheme of Preferences. **Yes**

If the answer is yes, please provide specific examples

- a) Migration: The Global Approach to Migration and Mobility (GAMM) was, since 2005, the overarching framework of the EU external migration and asylum policy. The framework defines how the EU conducts its policy dialogues and cooperation with non-EU countries, based on clearly defined priorities and embedded in the EU's overall external action, including development cooperation. Since the launch in 2005, this framework has been complemented and extended by supporting dialogues and frameworks, such as the Valletta Action Plan launched in 2015, and the EU Partnership Framework launched in 2016, which are currently the main overarching policy frameworks on the EU external migration relations with partner countries. Over the past years, these frameworks and instruments, such as the EU Emergency Trust Fund for Africa (EUTF) have been successful in prioritizing programmes and catalyzing funds aimed at addressing the root causes of irregular migration, the fight against human trafficking, programmes aimed at international protection, host communities, and legal migration. Many developing countries and their citizens have benefitted from these programmes that have been implemented. Results of these programmes and their effects can, for example, be found on the websites of individual instruments such as the EUTF (https://ec.europa.eu/trustfundforafrica/content/homepage_en) or are being reported on in the progress reports of the implementation of the European Agenda on Migration (COM(2018) 250 final, published on march 14th, 2018).
- b) Wildlife trafficking: At the moment the Netherlands is not aware of the effects the various actions of the EU Action plan against wildlife trafficking 2016-2020 may have had on developing countries around the world: The plan – to which the Netherlands is very committed – has been adopted by the European Parliament in November 2016. There has not yet been an evaluation looking at, for instance, the effects on developing countries. At the moment the first progress report is drafted, based on the input of the EU Member States. The EC will report on the implementation until 2018 to the Council and the European Parliament by July 2018.
- c) Common fisheries policies: Common Fisheries policies have several positive effects on developing countries as a result of the EU sustainable fisheries partnership agreements, more information: https://ec.europa.eu/fisheries/cfp/international/agreements_en. There are also potential negative consequences, such as risk of overfishing. For example, as established in the basic common fisheries

policy regulation, the fishing opportunities negotiated should allow EU vessels to fish only the surplus resources of partner countries. However, the concept of surplus is difficult to apply in practice due to a lack of reliable information on fish stocks and the fishing effort of domestic fishing fleets, or of other foreign fleets which have also been granted access by the partner countries. More details: <http://publications.europa.eu/webpub/eca/special-reports/fisheries-08-2017/en/>.

- d) GSP: The GSP has contributed positively to improving and enhancing developing countries' exports to the EU. This has been achieved via the tariff preferences granted under the GSP-scheme as well as through technical assistance and development projects the Commission carries out in light of GSP+ (as communicated in the January 2018 report). The final interim report on the GSP mid-term evaluation (2014 – onwards) as well as the 2018 progress report offer some indications regarding the positive and negative effects.

Positive effects:

- Positive economic impact of the scheme, increase of exports for many beneficiary countries under the arrangement;
- Relative increase in share of exports under EBA (targeting LDCs) in GSP over time;
- Implementation projects that are carried out are in line with the renewed Aid for Trade agenda.

Possible negative effects:

- The gender-differentiated effects of tariff preferences that are granted under GSP to developing countries and related shifts in trade flows;
- The preference utilization rate of exports under GSP is low for some beneficiaries (however, there are various possible reasons for this, some of which are not negative);
- The impact of export diversification under GSP is unclear (neutral effect).

6. Should you have other views on the way in which PCD has been implemented by the EU, please provide them here

The answers to questions 1 to 6 represent the official reaction of the government of the Netherlands to the online consultation.

Our experience is that the following elements are crucial for pursuing PCD:

- To formulate a strategy on PCD on a number of priority areas with, for each area, goals aligned with the SDGs, actions being taken to achieve these goals, and progress being monitored and reported on by means of indicators.
- To encourage and use academic research on policy coherence.
- To promote effective dialogue with governments in partner countries to identify important incoherencies and to achieve synergy in resolving them.
- To create opportunities for dialogue with NGOs and political space for civil society organizations in developing countries to give their views on coherence issues.

Regarding progress made by the Netherlands with regards to its Policy Coherence for Development Action Plan over the period May 2016 – June 2017 we would like to refer to the 2017 progress report (<https://www.government.nl/documents/parliamentary-documents/2017/11/14/letter-to-the-president-of-the-house-of-representatives-on-the-annual-report-on-policy-coherence-for-development-pcd>).