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THE EUROPEAN UNION'S DEVELOPMENT COOPERATION POLICY AFTER 2004

Abstract

The aim of the present paper is to analyse the evolution of EU's development policy after 1st May 2004, that is after the biggest enlargement of the number of Member States. The structure of the paper reflects its aim, as it includes analyses of the genesis and institutionalisation of EU's development policy and its increasing importance in the EU budget, including recent changes in the EU policy to stimulate development of underdeveloped states. The development policy is de facto one of more important EU policies. Although the development policy has only been functioning since 1st November 1993, that is the date of the entry into force of the Maastricht Treaty, similar actions had already been taken owing to bilateral agreements between the EU and developing countries. The paper ends with a presentation of conclusions and author's opinions on the perspectives of development policy in the changing geopolitical environment of the European Union.

Keywords: development policy, developing states, cooperation for development, cohesion of development activities, Doha round, economic partnership agreements, strategy for Africa

Introduction

In recent years, the issue of development aid, i.e. the transfer of tangible or intangible assets for an entity, has become a matter of interest in the field of economics and social sciences both in the world and in Poland. As globalisation continues, problems arise that individual countries cannot handle alone and the occurrence of problems due to accrued interdependencies can be felt in most countries of the world. Bridging the development divide between countries is currently one of the main global challenges. It is both a challenge in itself and a source of a multitude of problems. The discrepancies

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in the level of economic development between countries are the cause of many domestic and international conflicts, terrorism, illegal migration and environmental degradation. Therefore, actions to reduce the development gap on a global scale became the focus of institutionalised international cooperation, including the EU structures as well. As a result of this cooperation, a series of mechanisms has been developed, out of which the development cooperation policy is of key importance, as it entails donors' actions aimed at improving the situation of the beneficiaries (Zajączkowski 2012: 428).

For a number of years scholars have been arguing over the essence of development policy and development cooperation. Nevertheless, there is no doubt that it is of great importance for sustainable development of the global economy. It is an evolving notion due to ongoing changes in the global environment. Therefore, studies on the issues of development cooperation policy require a multidimensional approach. The primary goal of this paper is to examine the evolution of the EU development cooperation policy following the enlargement of the Union in 2004.

Analysis and synthesis were applied interchangeably in the research, as the disadvantages of any exclusive choice of one of these were recognised. The analysis and synthesis were based on official documents of the EU and the Ministry of Foreign Affairs and on professional literature on the subject. The conceptual apparatus employed in the paper is typical for research in the field of international relations and economics. Due to the complexity of these issues, the paper was subject to limitations. In line with the underlying assumptions, the research is a study of selected issues and does not aspire to exhaust the assorted issues of this topic. An attempt to cover all issues related to the development cooperation policy of the EU would undoubtedly exceed the framework of this paper.

1. The Development Cooperation Policy of the European Union in the Years 2004–2009

During the EU accession negotiations of Central and Eastern Europe countries, including Poland, the issue of development cooperation was of secondary importance and was treated as marginal by both the EU Member and Candidate States. In 2004, the new members of the EU did not have effective mechanisms or structures for the transfer of development aid. Nevertheless, the 2004 enlargement had a significant impact on the direction of the transfer of development aid in the EU – including the shifting of its priorities to the east of Europe. It also became the basis for amendments

and adaptation of the EU development cooperation policy to the new conditions within and outside the EU.

In May 2004, i.e. just after the accession of new Member States (including Poland) to the EU, negotiations on the revision of the Cotonou Agreement were launched at the joint council of the African, Caribbean and Pacific Group of States with the European Union in Gaborone. The main objective of the revision process was to enhance the effectiveness and quality of the ACP-EU partnership while reaffirming the fundamental *acquis* of the agreement.

Also in May 2004 (on 12th May), the Council of the European Union approved the European Neighbourhood Policy with the aim to share the benefits of the EU enlargement with neighbouring countries by offering them stakes in the internal market (European Commission 2004). By strengthening stability, security and wellbeing for all partners involved, the ENP aims to prevent the emergence of new dividing lines between the enlarged Union and its neighbours. It is a cooperation network based on a common set of values yet adapted to each partner's specific needs on a bilateral basis and based on adopted action plans (European Commission 2005a).

At the end of 2004, the European Commission launched a debate on the implementation of the declaration on the development cooperation policy and its importance in the light of substantial changes that took place both within the EU – especially in the context of the recent enlargement – and outside its borders. In order to meet the new challenges, the EU took measures to: improve relations with neighbouring countries through the European Neighbouring Policy; accelerate trade and economic negotiations with other countries; reinforce the international consensus on the Millennium Development Goals and deal with rising security concerns. It was therefore decided that international debate was due in order to clarify the role of the development policy in the wider context of the EU's external actions, as well as to fully deploy the potential of this policy as an instrument of the fight with poverty and inequalities (European Commission 2005a: 18).

In February 2005, an amendment to the Cotonou Agreement, which formed the frameworks for EU relations with African, Caribbean and Pacific Group of States, was signed. It created opportunities to strengthen the political dimension of the partnership by means of a more systematic, formal, effective and result-oriented political dialogue based on well established principles of partnership and ownership. The ACP-EU partners also introduced a reference to cooperation in countering the proliferation of weapons of mass destruction. Moreover, the revised agreement contained a clause confirming the ACP-EU international cooperation against terrorism (European Commission 2006a: 8). It also raised the question of including prevention and treatment of poverty-related diseases into the priorities supported by development

aid, as well as making the financial instrument managed by the European Investment Bank more flexible.

In May 2005 the Paris declaration on aid effectiveness for the period until 2015 was adopted. The agreement was signed by 35 donor governments, 26 multilateral institutions, 56 aid recipients and 14 observers of civil society. Among them were the EU Member States and the European Commission (Burall, Maxwell 2006: 2). The declaration defined five primary obligations of the agreement parties in order to improve the effectiveness of development aid. Those are (OECD 2006: 50–51):

- the donors respect the priorities and the needs of recipients by giving them ownership of development initiatives (ownership);
- the donors must align their aid behind the priorities outlined in the strategies of the beneficiaries (alignment);
- the donors must coordinate and simplify the procedures (harmonisation);
- all parties must shift focus to the results of the aid (managing the results);
- both the donors and the beneficiaries must take responsibility for the results of the aid (mutual accountability).

The adopted principles are complemented by a set of actions that is subject to constant supervision and control with the application of 12 indicators (Deszczyński 2011: 92.) of progress and designed to distribute aid in a way that best supports the realisation of the Millennium Development Goals (Rogosz 2010: 249).

From the point of view of effectiveness of development aid financing, it was highly significant that EU Member States not only commit themselves to fully implementing the provisions of the Paris declaration, but also pledge to fulfil by 2010 the following commitments (Bagiński 2009: 116):

- to provide all capacity building assistance through coordinated programmes;
- to channel 50% of government-to-government assistance through the institutions of partner countries;
- to avoid the establishment of any new project implementation units (Project Implementation Units);
- to reduce the number of uncoordinated missions by 50%.

As a result of the Paris Commitments and prior preparations, on 20th December 2005 the President of the European Commission, the President of the European Council and the President of the European Parliament approved the new declaration on the EU development policy – the European Consensus on Development, which is a landmark in the history of the EU cooperation for development¹ (European

¹ The Commission and the Council adopted the document during the session of the General Affairs and External Relations Council on 22nd November 2005, and the Parliament approved it during the plenary sitting on 15th December 2005 (No. P6-TA-PROV (2005) 0528).

Commission and European Council of the EU 2005). For the first time in fifty years, common values, principles, goals and means were defined at the EU level with the aim of eradicating poverty and achieving the Millennium Development Goals. The document introduces common principles according to which the EU as well as its Member States should implement national development policies based on the principle of complementarity, and development cooperation is to be carried out on a *shared responsibility* basis between the Members and the EU. The development cooperation policy was considered to be the foundation for relations with developing countries while respecting common values such as ownership, partnership, enhanced political dialogue, participation of civil society, gender equality and remedying state fragility. The declaration consists of two parts. The first part encompasses the policy of the EU *en bloc*, as well as the policy of the EU Member States focusing on the common vision for development cooperation, while the second part consists of guidelines for the implementation of the EU policy. In the first part, the competencies of the new and old Member States were separated along with the amount of commitments towards the Official Development Assistance (ODA). Old Member States (the EU-15) committed to providing 0.51% of their GNIs in 2010 (European Commission 2005b) and 0.7% in 2015, while new Member States obliged to increase the level of ODA to 0.17% of the GNI until 2010 and to 0.33% until 2015 (developmentportal.eu 2014). Also, a decision on the appropriation of half of the funds for Sub-Saharan Africa was made (Sobotka 2009: 171). The procedure for granting sectoral support aid was changed and developing countries were assured that they would be given assistance to build their commercial capacity and conclude negotiations within the WTO round in Doha and on the Economic Partnership Agreement with ACP Group of States (Jakubowska 2007/2008: 45).

The second part of the consensus determined the factors which ensured the EU's comparative advantages in development cooperation and which included the worldwide presence of the EU, the introduction of the provisions of the Paris Declaration by the European Commission and the promotion of the best practices. It was also assured that the development cooperation policy would take into account the coherence of development activities (Policy Coherence for Development). The idea relies on ensuring that other EU policies (for instance the commercial or agricultural policy) do not suppress the effects of the development policy but instead support the development of poor countries. Such coordination of EU policies is supposed to contribute to the synergy effect for support actions, which would facilitate the accomplishment of development goals (DFID 2014). Compliance with the criterion of Policy Coherence for Development should be guaranteed at every stage of the decisionmaking process and assistance management – ranging from programming

through implementation to the evaluation of the initiatives taken (MSZ 2007: 21). The EU committed itself to observing the principles of Coherence in the following areas (European Commission 2009b):

- trade and regional integration;
- environment and sustainable management of natural resources;
- infrastructure, transport and communication;
- water and energy;
- rural area development, land use planning, agriculture and food security;
- governance, democracy, human rights and support for economic and institutional reforms;
- conflict prevention and fragile states;
- human development – health, education, culture and gender equality;
- social cohesion and employment.

The document highlighted the crucial role of the European Commission as the biggest aid donor and the promotion of good development practices, i.e. budget aid and untied aid. The consensus obliged the European Commission to prepare a work programme for the Policy Coherence for Development every two years, and introduced preferential treatment for budget aid allocated to supporting economic and fiscal reforms in beneficiary countries (Jakubowska 2007: 45–46).

In December 2005, the EU also adopted a strategy for Africa, which became the first practical application of the European Consensus on Development. The strategy defined the framework for the EU Member States' and the European Commission's actions to support the efforts of African states in achieving the Millennium Development Goals (European Commission 2006a). The strategy envisaged increased EU involvement in specific areas, including the strengthening of security and the rule of law in Africa, preventing and solving conflicts, combating corruption and promoting human rights. The EU strategy proposes to sign economic partnership agreements between the EU and African regions and to establish an EU-Africa partnership for infrastructure (PISM 2015).

As an important element of long-term strategy for poverty eradication, also in December 2005, during the Sixth World Trade Organisation Ministerial Conference held in Hong Kong, the EU pledged to increase its expenditures on Trade-Related Assistance. The developing countries were offered assistance in combating the so-called supply side constraints, such as lack of knowledge, excessive bureaucracy, inadequate financing and poor infrastructure. The TRA has a well-defined objective: to assist the developing countries, especially the least developed countries, in active participation in the world trade system and in using trade for economic growth, thereby reducing poverty (WTO 2014). According to the arrangements, the following categories of action can be classified as aid for trade: commercial policy (for instance the explanation

of its principles and regulations), trade development (e.g. promoting investments, market analysis), trade-related infrastructure (for instance storing, transportation), building productive capacities, international trade-related adjustments (for instance the adaptation to other countries' trade policy instruments) (Higgins, Prowse 2010: 3–4).

In 2006, aspects of the EU policy on development aid were included in the course of preparatory works regarding new financial instruments that were part of the overall review of the Union's structure for external cooperation and simplified frameworks for assistance for the period of 2007–2013. A number of existing mechanisms of geographic or thematic scope were replaced with nine financing instruments – six of which supported specific policy areas of geographic or thematic nature, i.e. (European Commission 2007: 3):

- The Instrument for Pre-accession Assistance;
- The European Neighbourhood and Partnership Instrument (ENPI);
- The Development Cooperation Instrument (DCI);
- The Instrument for Cooperation with Industrialised Countries (ICI);
- The European Instrument for Democracy and Human Rights (EIDHR);
- The Instrument for Nuclear Safety Cooperation (INSC);
- And three that are applicable in crisis situations, i.e.;
- The Instrument for Stability (IFS);
- Humanitarian aid including emergency food aid under the new financial perspectives;
- Instruments of macro-financial assistance.

In April 2006, in order to translate the EU commitments on aid effectiveness into deeds, a new Action Plan (“EU aid: delivering more, faster and better”) was approved. It included definite goals to be achieved by the end of 2010, especially the regular mapping of EU aid at the global, regional and local levels, as well as a proposal for establishing a framework for joint EU financial programming. The 13-page document consisted of three parts (European Commission 2007: 5). Part One contained a collection and revision of the nine commitments on development policy which the EU Member States had committed to implement by 2011. Part Two presented four tasks which were developed and ready for immediate implementation, i.e. publishing a new atlas of donors, creating a monitoring system of EU commitments on development policy; improving the process of drafting and defining road maps; drafting the multiannual joint programming framework, firstly for the ACP Group of States and then for the rest of the signatories of the Paris Declaration. Part Three focused on the remaining five tasks, which should have been prepared for implementation by the end of 2006 and implemented by 2011 (i.e. adopting guidelines regulating the

issues of operational complementarity; increasing the number of joint actions based on the adoption of principles for managing them by the European Commission, strengthening the development vision of the EU; joint determinations with local representatives; developing the four compendia of EU aid procedures (European Commission 2006b).

Developed in May 2007, the Code of Conduct on Complementarity and the Division of Labour in Development Policy was an important document for the EU development cooperation. The Code of Conduct put forward eleven principles to be observed by the Member States to ensure better cooperation at the EU level and to make the EU development aid more effective and beneficial (MSZ 2008: 43). Its aim is to facilitate the partnership between EU donor institutions based on Joint Assistance Strategies (WECA 2008) and the so-called delegated cooperation, which assumes the secondment of EU development agencies to each recipient country and obligating them to take lead in development efforts.

Then in October 2007, the EU Council adopted a new strategy – Aid for Trade – for the sake of trade exchange and access to the EU, taking into account competitiveness and social and environmental issues, further integration of the ACP Group of States with the WTO and the conclusion of negotiations on economic agreements. According to the Council, the Aid for Trade is a “key complement to trade negotiations within the Doha Development Agenda, enhancing potential benefits (European Commission 2008a: 11). for developing countries”, since the degree to which the ACP countries can benefit from AfT is independent of the results of negotiations of agreements on economic cooperation (Council of EU 2007). The European Union Member States were the first highly developed economies of the world which began to implement a clear and precise strategy of Aid for Trade based on Hong Kong declarations. As for the European AfT, the following was decided: to increase the volume of resources dedicated to initiatives facilitating the participation of developing countries in world trade, to support the process of regional integration in the ACP Group of States and to ensure effective monitoring of the fulfilled commitments (European Commission 2008b: 3).

The year 2008 was a period full of challenges for the European Union and its partners acting for development in various parts of the globe. Rapidly rising food and energy prices, coupled with the global financial crisis, put to proof the EU’s capacity of fulfilling aid-related obligations on schedule, as well as its ability to respond to new needs. Therefore, the European Commission took immediate actions designed to offset the effects of high food prices in poor countries. The European Union demonstrated its reliability by setting up a 1 billion EUR Food Facility for 2008–2010 from the general EU budget by the end of December. Meanwhile, the Commission increased its budget for humanitarian food aid by an amount of 140 million EUR from the emergency

aid reserve, and also transferred the money earmarked for food security to the most vulnerable countries (European Commission 2009a: 8).

During the Third High Level Forum on Aid Effectiveness, which took place in September 2008 in Accra, Ghana, the world body of donors, including EU Member States and recipients decided to undertake further reforms and intensified actions, which would enable them to fulfil their obligations and achieve objectives regarding the quality of aid envisioned for 2010 (MDDCRPDHMBDI 2008: 1–7). Then, great emphasis was placed on: division of work among the donors, increasing the predictability of aid transfers (predictability), using developing countries' own systems (country systems), conditions for granting aid based on development strategies and their implementation in each country (conditionality), reducing tied aid (untying), as well as the involvement of new entities (other than donors and recipients) in the process of increasing aid effectiveness (inclusive partnerships) (OECD 2014). The result of the forum – the Accra Agenda for Action (AAA) – is aligned with EU objectives. It encompasses a more numerous than ever participation of partners, donors and recipients in the implementation of the plan. Also, partner countries, emerging-country donors, middle-income countries and non-state entities, all will play an increasingly important role (European Commission 2009a: 10).

In December 2008, the European Commission and the French EU Presidency organised a conference on EU donor coordination in Latin America. In turn, in Afghanistan, a joint EU contribution on aid effectiveness was prepared as part of a response to the Afghan National Development Strategy. In the Occupied Palestine Territory, the EU created an efficient financial instrument to deliver aid, including contributions by EU Member States (European Commission 2009a: 12).

In May 2009, official negotiations of the EU with the African, Caribbean and Pacific Group of States were launched concerning the second revision of the Cotonou Agreement. Concurrently in 2009, the EU kept strengthening its political relations with Latin America. In September, the European Commission adopted a communication setting out a new policy framework for relations between the EU and Latin America. In December, the Latin America Investment Facility was adopted with the aim to attract additional investments in favour of transport, energy and environment, as well as to support private and social sectors (European Commission 2010a: 6–7):

Concurrently in November 2009, in order to accelerate progress and demonstrate concrete results in time for the next forum on aid effectiveness (in 2011 in Seoul), the Council of the European Union adopted an EU operational framework which focused on three main aid effectiveness priorities, agreed upon at the Forum in Accra in 2008, i.e. reducing aid fragmentation through division of donor labour, increasing the use of

country systems, as well as improving the quality of technical cooperation (European Commission 2010a: 9–10).

2. Institutional Framework of the European Union Development Policy Following the Entry Into Force of the Lisbon Treaty

The Lisbon Treaty, which came into force on 1st December 2009, was fundamental for the functioning of the EU development policy. According to the document, the EU actions in international fora aim to integrate the world economy by, among others, removing restrictions to trade and assisting nations, countries, and regions affected by natural or man-made disasters. The task of the EU development cooperation policy is to solve regional and global environmental problems, in particular to combat climate change. As stated in the Treaty, the Union and the Member States coordinate their development cooperation policies and their aid programmes should be mutually consulted, and should complement and strengthen one another. In the long run, such solutions should lead to greater harmonisation and effectiveness of the actions taken. The Treaty divided the competencies of the General Affairs and External Relations Council (GAERC) between two separate councils: the General Affairs Council (GAC) and the Foreign Affairs Council (FAC). It also instituted the office of the President of the European Council and the office of the High Representative of the Union for Foreign Affairs and Security Policy. The High Representative is the chief of the EU diplomacy and his duties include coordinating the EU development cooperation policy, chairing the Foreign Affairs Council, holding the post of the Vice President of the Commission and ensuring the consistency of the EU's external actions². He is also in charge of the supervision of external relations and coordination of other aspects of the EU's external actions. Also, under the Treaty, the shape of the European Commission was transformed and as of February 2010 it consists of the Commissioner for Development and the Commissioner for International Cooperation, Humanitarian Aid and Crisis Response (MSZ 2010: 18–19). By increasing the EU capacity to influence global affairs, the EU's commitment to the problem of global development has been confirmed. Moreover, the instrumentation of means beyond traditional development aid mechanisms has also been reinforced. The Treaty established a new

² As of 1st January 2009, the post of the High Representative of the Union for Foreign Affairs and Security Policy was held by a Briton – Catherine Ashton.

institution – the European External Action Service, which is of high importance for the emerging structure of the European development aid, as it shares the responsibility for programming and funds allocation. The changes introduced by the Lisbon Treaty should contribute to better programming and better management of EU development aid. The most significant of the amended elements of the development policy under the Treaty include (European Commission 2011a: 16):

- the nomination of the High Representative for Foreign Affairs and Security Policy who, as the Vice President of the European Commission, is responsible for ensuring the consistency of the EU's external actions and who also chairs the Foreign Affairs Council;
- the creation of the European External Action Service, which serves the High Representative/Vice-President of the Commission, the President of the European Council and the European Commission;
- new possibilities for enhanced cooperation among EU Member States and joint programming.

3. The European Union Development Policy as of 2010

In April 2010, the European Commission issued a set of concrete proposals for the EU actions to help developing countries achieve their Millennium Development Goals on schedule (Zajączkowski 2013: 634). The 12-point action plan gives priority to the least developed countries, including those in conflict or other vulnerable situations. The plan was accompanied by five working papers that analysed further progress on the Millennium Development Goals, finance for development, aid effectiveness, aid for trade and policy coherence. Other proposals of the Commission on food security, global health, and tax for development, education and gender equality were included in the EU position paper for the UN review summit on the Millennium Development Goals (Zajączkowski 2013: 7).

In April 2010, the European Commission also adopted a communication (European Commission 2010b) to strengthen the link between taxes and development policies and to enhance good governance in the tax area (transparency, information exchange and fair tax competition). The Commission also published its work programme for policy coherence for development for the period of 2010–2013 in order to further improve the convergence between development aid and other relevant EU policy areas that impact external relations, e.g. trade exchange, taxation and finances, food security, climate change, migration and security (European Commission 2011a:

7). The European Commission also undertook a number of initiatives to improve its own development strategies. Those included public consultation on the role of the EU aid in supporting inclusive growth and sustainable development or on the role of external financial instruments of the EU. The Commission also launched public consultation on the use of the EU budget support for the needs of development aid for underdeveloped countries. The objective was to draw conclusions from more than ten years of transferring budget aid. The Commission was invited to express views and opinions regarding the opportunities related to this tool, as well as ways to improve its quality, obtaining greater effects in relation to invested resources and achieved results (European Commission 2011a: 8–9).

In November 2010, the Commission published a green paper entitled “EU Development Policy in Support of Inclusive Growth and Sustainable Development” (European Commission 2010c). The document presents the ways to make the EU development cooperation policy a catalyst for building their own capacities by developing countries to generate inclusive growth and sustainable development, as well as to mobilise their own economic, natural and human resources in order to support the strategy for poverty reduction. The possibility of creating partnerships for inclusive growth, involving both the public and private sectors, was taken into consideration. The spheres regarding the policies on climate change, energy and environment were analysed as drivers of sustainable development. Also, the roles of agriculture and biodiversity in achieving food security and boosting growth were reviewed.

Also in November 2010, the revised Cotonou Agreement came into force. The revision adapted the partnership to global changes and a growing importance of regional integration. The new agreement emphasised the interdependence between development and international security, and presented the agreed joint approach to solving the problems of AIDS, food security and sustainable fishery. The revised agreement confirmed the role of Economic Partnership Agreements and it departed from EU-tied aid for the ACP group of states and from the reduction of transactional costs. It also recognised the African Union as the main partner in Africa³. For the first time, the role of the other EU policies in the development of ACP Group of States was emphasised and a commitment was made to achieve greater EU consistency in that area (ec.europa.eu 2014).

In November 2011, in Busan, South Korea, during a forum which was the most important worldwide meeting devoted to issues of development aid, attention was once again drawn to the importance of greater effectiveness and coordination, as well as to

³ A kind of assistance within which aid measures are allocated for purchase of goods and services in the country which received assistance.

channelling aid via national systems. The meeting featured a communication of the European Commission setting out the future approach to EU budget support to third countries (European Commission 2011b), which is *de facto* one of the most important aid instruments of the EU (European Commission 2012: 6).

Conclusions on the financing of external aid and development that outlined the expenditures for new priorities were published in December 2011 as part of the multiannual financial framework for 2014–2020. Two fundamental elements of the initiatives are, on the one hand, human rights, democracy and good governance, on the other hand, sustainable and inclusive economic growth stimulated by promoting social inclusion and social development, decent work, entrepreneurship and regional integration, sustainable agriculture, energy supply and access to energy. Moreover, a diversified approach to funding of development aid was also proposed. This means that the amount of aid provided to certain countries will be lower or some of them will not receive aid at all – they will, however, be offered alternative forms of cooperation instead. The new approach should create better opportunities for the EU in supporting and protecting fundamental values and international commitments towards the neighbouring countries, in particular countries in the pre-accession phase or in the process of transformation, as well as the poorest and the most vulnerable countries in the world. Furthermore, the new policy is characterised by increased donor coordination, in particular the EU Member States, which is to prevent the duplication of efforts and ensure greater coherence and impact (European Commission 2012).

The “Agenda for Change”, approved by the Council of the European Union on 14th May 2012, sets out a more strategic approach to poverty reduction that aims at further increasing the impact on the problem by the EU development policy (consilium.europa.eu 2014). To this end, a series of significant changes were put forward regarding the way EU assistance is provided. The changes include, *inter alia*, a diversified approach, so that grant aid is directed where it is most needed and can have the greatest impact in terms of poverty reduction; concentration on a maximum of three sectors per country; clearer focus on good governance, democracy and human rights, and inclusive and sustainable economic growth; greater use of innovative financing mechanisms, such as blending grants and loans and private sector participation; improved policy coherence and increased coordination and joint actions with the Member States (European Commission 2013b: 6).

During the United Nations Conference on Sustainable Development (Rio+20), which took place in June 2012, the EU secured commitments in areas such as water, oceans, land and ecosystems, decent work, social protection, energy, sustainable agriculture and food security. The conference adopted the declaration “The Future We Want” (UN 2014). For the first time it was recognised that an inclusive “green

economy” is an important tool in achieving sustainable development and reducing poverty. It was also acknowledged that urgent action is needed to develop policies for green economy. Finally, it was decided to establish sustainable development goals and options for an effective sustainable development finance strategy.

Year 2013 was crucial for shaping the discussion on the framework of development policy after 2015. In June of that year, the EU Council adopted a document “A Decent Life for All: Ending Poverty and Giving the World a Sustainable Future”, which is a consolidated EU approach to the debates on this topic after 2015 (European Commission 2013a). The general objective of the new EU policy framework after 2015 is to ensure a “decent life for all” by 2030, eradicate poverty in all its dimensions (economic, social and environmental) and ensure a sustainable future for the world. In December 2013, conclusions of the EU Council in response to a communication of the European Commission entitled “Beyond 2015: Towards a Comprehensive and Integrated Approach to Financing Poverty Eradication and Sustainable Development” were adopted (European Commission 2013c).

Then, in 2014, conclusions of the EU Council on a common EU position on effective development cooperation were drawn up for the first high level meeting of the Busan Partnership, which took place in Mexico City on 15–18th April 2014. Also, regulations on external financial instruments for the new financial perspective for 2014–2020 were issued. It was agreed that financial resources would be spent through three geographical mechanisms and three thematic ones. Eventually, the majority of funds come from the geographic instruments. The most important one is the European Development Fund (EDF) and it is supposed to assist the African, Caribbean and Pacific Group of States. The Development Cooperation Instrument in turn covers countries from Latin America, Asia, Central Asia, the Middle East and South Africa. It consists of five thematic programmes dedicated to global problems, such as environmental protection, the role of non-state actors, food security, migration and human development. The cooperation with countries of the European Neighbourhood Policy is financed by the European Neighbourhood Instrument. Those mechanisms are complemented by thematic instruments intended for all developing countries. The instruments include:

- The European Instrument for Democracy and Human Rights (EIDHR);
- The Instrument contributing to Stability and Peace (IcSP);
- The Instrument for Nuclear Safety Cooperation (INSC).

The EU development policy and bilateral cooperation for development with partner countries, undertaken by the EU countries, complement each other. EU actions in the area of development policy encompass many key issues for the less developed regions – from food security through environmental issues to social issues

and human rights. The basic priorities of cooperation for development include such matters as: democratic governance, agriculture development and food security, trade-generated economic growth in the countries that are most in need of aid, improved access to drinking water, access to energy and universal access to sustainable energy, protection of the environment and natural resources.

Conclusions

The current five-year period will be of crucial importance for international cooperation and development. One of the most important challenges will be the negotiations on developing a universal framework for combating poverty and promoting sustainable development. The new framework should define the basic standard of living, support sustainable and inclusive economic growth, contribute to optimal natural resources management – in accordance with the principles of sustainable development – ensure justice and equality, and take into account the particular situation of the least developed and politically unstable countries.

As the deadline for achieving the Millennium Development Goals is this year, the year 2015 has been proclaimed the European Year for Development. The progress made so far in the implementation of the Millennium Development Goals clearly shows that while part of the key goals have been, to a large extent, achieved, many tasks will not be completed on schedule. The EU contribution to the implementation of the existing actions is significant, however to achieve the concept of sustainable development on a global scale requires intensified work and increased amounts of development aid. Undeniably, one of the biggest challenges of the modern world, for the EU in particular, is migration. It involves great challenges for host countries. Properly realised development policies could in the future become one of the most important instruments for combating migration by increasing development opportunities and political stability, as well as economic and social stability in the developing countries, which cannot be achieved without listening to their voice while solving their problems by international organisations – including the EU.

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