

## **Michael Gahler      Optimising EU instruments for development in Africa**

Ladies and gentlemen,

Let me first of all thank the co-sponsors of this conference, the Konrad-Adenauer-Foundation, the South African Institute for International Affairs and the Auslandshandelskammer, the Southern-African-German Chamber of Commerce and Industry for inviting me to participate in this conference. I should have arrived here yesterday evening from Zimbabwe, where the Konrad-Adenauer-Foundation celebrated its 25<sup>th</sup> anniversary. But as I am a member of the European Parliament, my chances of getting in and having a visa were more or less zero, as the regime knows my position and that of the EP on Zimbabwe.

Fortunately here in South Africa we find ourselves in substantially better framework conditions in virtually every respect, so that I need not fear any repercussions in case of whatever critical remarks. And I limit them to one phrase and thereby ending also the introductory topic Zimbabwe by saying that I find Africa's and South Africa's position on Mugabe absolutely disgraceful though I am encouraged by dissenting positions from Nelson Mandela, Bishop Tutu, Cosatu and the vibrant civil society and human rights scene in this country that have not turned their back to the desperate and ever worsening situation of the ordinary people in this neighbouring country.

**Optimising EU instruments for development in Africa**, the topic of my introductory speech, describes an evident necessity: Not only because of standing commitments by the donor community, stemming from the Millennium Development Goals (MDG's), the reconfirmed EU commitment of June 2005 to fulfil by 2015 the 0.7 % of GDP for ODA, the European Consensus on Development of Dec 2005, the EU Africa Strategy or the Doha Round, starting off, as some might recall, as a so-called development round and other bilateral activities of some major donors. The 10<sup>th</sup> EDF will provide 22.7 billion Euros out of which 90% will be allocated to Sub-Saharan Africa. In total 50% of our additional support for development aid will go to Africa – additional €10 billion per year have therefore been promised.

But we are in reality also faced with a lot of potential or existing obstacles to make our aid more effective, and these obstacles can be found both on the EU side and in Africa:

Let me first concentrate on the EU side: it can hardly be a surprise that budget committees and indeed majorities of many parliaments in EU member states including my own European Parliament, are not as such development minded. The need to address at the same time economic globalisation challenges, to digest new partners within the EU, to adjust our own social security systems to ageing populations and globalisation losers, already puts a lot of pressure on governments that want to be re-elected next time.

The necessity to engage more on development in this one world can only become a political priority, if there is credible political leadership in this respect both on the European and on national level. To an extent the pictures of desperate Africans being swept ashore dead or alive in Spain, Italy and Malta has helped in the discussion for need to increase development efforts, because there is at least an emerging awareness also in the broader public that some long-term strategy will have to be elaborated to contribute to overall circumstances, where people can find a perspective at home.

We who engage in development issues on EU level have to remove deficits especially in areas where the assumption is, that EU instruments do not work efficiently, where especially bureau-

cratic procedures make engagement with EU institutions unattractive. I have to admit that we as MEP's who are getting around in Africa or who are in contact in Brussels with implementing organisations or NGOs are normally told the problematic issues and not so much the things that go well. And still I think there is quite some room for improving procedures. Given that there are quite a variety of such procedures that are under public scrutiny in the various member states, I think one possible way to optimise EU instruments would be to check the handling of the same project through the different organisms and see which one is the quickest and most effective and cost-saving. As a consequence on EU level we should apply this system within the Commission structures and thereby increase the standing and reduce the administrative costs of Commission programs. Politically speaking, as I am one of those who wants the EU to be seen as an efficient and successful partner, it is by such ways and means how we can optimise our standing through optimising instruments.

Another option that is being discussed in Brussels and to an extent also in EuropeAid is to use national implementation agencies on behalf of the EU. First of all a certain mindset has to be developed, that is that a national organisation can in the same way deliver for the EU as an EU agency itself. There is an existing network of national implementing agencies, EUNIDA that offers comprehensive packages to the Commission. And in reality there is an internal job sharing within EUNIDA that gives an appropriate share to each of the participants. The advantage for the Commission making more use of it is that they can set a deadline till when a certain project has to be fulfilled, if not liabilities will come into effect. I also think that would be an effective way to get the money flowing off the budget lines and certainly a way I would prefer, to ever growing global payments to UN structures, where we have no real control and where the EU label does no longer appear. The Head of EuropeAid, Koos vdM, no Koos Richelle, is not yet so convinced, but there are people working on him.

One further aspect vis-à-vis the recipients is that we donors don't frustrate our partners by applying a huge variety of benchmarking and accounting and auditing systems and different reporting obligations. Insofar I hope that also the "Aid Effectiveness Package" that the Commission has approved and that it wants to implement with likeminded Member states will contribute to procedures that facilitate on the recipients' side their capacity to meet our reporting back demands.

I am also of the opinion that our court of auditors should assess not only whether or not the allocated funds have been used for the designed purpose but also whether or not the originally set objectives have been met or to what extent they have been met. I think that would also be one method to optimise instruments and shift money to other means of cooperation in case one instrument has proven to be of little effect.

A very important aspect to optimise EU instruments is the coordination on the spot between the EU and its member states. I am aware that it depends often on the concrete person present in a capital, so that there might be either good cooperation or unhealthy competition. The Aid Effectiveness Package that I mentioned earlier should provide for better results of such coordination.

EU instruments can of course only be more effective, if all member states feel bound by the common objectives as outlined for instance in the EU Africa Strategy. No hidden or contravening agendas towards specific states by certain EU governments should be accepted. Old colonial ties that continue to be imposed on African countries hinder proper development and can corrupt elites also from the European side. If an EU member state resumes police and military cooperation with an African state on which we apply article 96 of the Cotonou accord, that is the sanction mechanism, such behaviour is in blunt opposition to commonly agreed policies. Such behaviour has to be addressed in the European Council and not to be discreetly ignored.

Looking on the African side of affairs, it is evident that we need a political commitment of those responsible, that goes beyond “Sunday speeches” as we would call it in German. Moreover the administrative capacity to handle funds, programs and projects must be in place.

With a focus on “Poverty Reduction Strategies” within the framework of implementing the MDG requirements we can together elaborate the best possible framework for a specific country.

But it requires genuine commitment on the recipient’s side. And we should apply a kind of “benchmarks of implemented political will” from which we could gather how far we have been successful on the ground and not on paper.

One instrument which is “en vogue” currently is general or sectoral budget support. Now of course if all framework conditions are met, it is more modern than project aid. When one agrees on how much to spend on education or basic health or clean water or HIV Aids and such discussion includes in general terms the entire budget covering expenditure for police and army, it may have a better effect, provided the capacity to handle such funds exists and is transparently managed.

Countries which appear very high in the Transparency International corruption index should not be partners of budget support. At the moment the EU Commission operates with budget support in 28 African countries. I am not 100% sure whether we really have such workable structures in 28 countries. Moreover I suggest that Commission and member states take coherent approaches, that is the Commission should in principle not apply other rules than member states towards specific countries.

One thought should perhaps also be considered: In connection with budget support we use the terms of partnership and ownership. But if the reality were that as a consequence of donor coordination followed by concertation with the recipient government a situation appeared where the donor supplied budget part, which can be substantial percentage wise, where fixed in such consultations, where is then ownership in real terms?

Moreover it assumes that what we negotiate with the government is the agenda of the entire country. I think this is not true, as we have seen in many transformation countries in the world. The belief that the government’s agenda is the only existing one in changing societies and other stakeholders have no real impact is wrong, especially in Africa. We have to realise that there are big economic interests of different kind who have agendas that do not necessarily meet with what a government says or pretends to be standing for. In some countries we have influential trade unions that might have other priorities and fight for them.

We should therefore not believe that EU-government agreed priorities will become reality one to one.

With regard to good governance and the fight against corruption we should in my mind far stronger reward those who do better and shift funds toward those countries where governments deliver more to their people in real terms than others. That will also increase the acceptance of spending money on development in our countries.

Promising African initiatives such as NEPAD, I am deliberately not yet speaking of “successful initiatives”, should be supported and perhaps we can contribute to “optimising” this instrument by delivering it from increasing bureaucracy which threatens to get this laudable initiative stuck.

As we focus later on linking business and development I think that we can show that structural policies that we apply in remote areas of the European Union could to an extent also be applied throughout Africa. I am convinced that instruments to trigger off development outside the established centres will contribute to a more even handed development of many countries who suffer from concentration in one or two centres.

Moreover I would recommend supporting regional integration, politically and economically, in African regions. It is here, where the EU can serve as a good example and show an added value of common development, which has proven a win-win situation for all.

And let me close once again on one notion that is in my mind the key to optimised EU-instruments meeting fertile ground in Africa: It is the question of how far African elites feel personally and politically committed to the development of their countries and not only to put it bluntly to their personal or own tribe development. I addressed this issue in a speech in the Pan-African Parliament on 29 November last year, and believe me or not, I got special applause when I said that although I was a bit scared prior to my speech how it would be received: I said:

We all know what Africa suffers from most and we in the European Parliament have no problem in admitting Europe's share of responsibility:

But then comes your share and I feel particularly encouraged that more and more African politicians, scientists, economists and civil society activists are calling ignorance – ignorance, corruption – corruption and despotism – despotism. And therefore Paul Boateng was not saying anything new, when he referred to ignorance, corruption and despotism as having to be fought with the same vigour that was necessary to vanquish colonialism and imperialism. And it is exactly that that peoples of Africa expect from you.

The white minority regime here used to remove people who were considered to be staying illegally in urban areas of their own country, sent them back on lorries to their so-called homelands and dumped them there.

How must people feel in Africa today, when after the end of minority rule they are suffering in exactly the same way?

I have a dream that one day more African decision makers join Nelson Mandela and Bishop Tutu in showing solidarity with those who suffer regardless of who inflicts the hardship upon them. And parliamentarians must be some of the first to speak out when something goes wrong.

(In my mind there is a need to develop a much stronger kind of Pan-African patriotism, than we see so far. The terms of reference for such project could be defined within this assembly. This African project, the African Union, must become the focus of reflection, of striving and engagement of African leaders.

Unfortunately I still find too many amongst certain national African elites, not necessarily only amongst politicians, who continue to establish their little Europe at home, their little France, little Portugal or other little imitations – a tendency that moreover is often supported by certain European governments or enterprises. Resist such temptations. Such behaviour does not advance the cause of the peoples of Africa. Be yourselves, be as African as we are European. Finish, where it exists, such mental dependency towards European lifestyle. We need a real partnership between equal partners, in order to be able to negotiate our common agenda.)

Hinweis: Diese 2 letzten Absätze habe ich nicht vorgetragen.