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Position Paper

A: Introduction

Development is the one of the most pressing issues of our age as there is a clear need and responsibility for the developed world to reach out and engage with less developed countries with expertise and experience of eradicating poverty and improving the economic and social wellbeing of their citizens. This is no exception for the European Union (EU) as development forms and remains an integral part of our common foreign policy, especially to African, Caribbean and Pacific (ACP) nations, with whom the EU has shared a strong relationship on development since the Treaty of Rome in 1957 that formed the basis of a common European foreign developmental policy.

The German government has also been actively engaged, in close cooperation with our international partners such as the European Union, in combating poverty, improving food security, shaping globalisation in a socially equitable manner, and preserving the environment and natural resource in the developing world. Germany has been one of the leading contributors of official development assistance (ODA) globally, in which we have spent around USD 23.6 billion in year 2017 alone, while also maintaining various bilateral development projects with various regions worldwide with close alignment with the 2030 Agenda of Sustainable Development (ASD). Germany also participates in multilateral cooperation in such areas, including those by the EU, such as being the largest contributor to the European Development Fund (EDF) for EU-ACP developmental aid, pledging EUR 6.28 billion or 20.5798% of the 11th EDF budget for the period from 2014 to 2020.

Germany is seized by the urgency of the matter of considering a post-Cotonou framework for relations between the EU and ACP countries as raised by the Council Presidency, due to the fact that the Cotonou Agreement is due to expire in 2020 and the observation that its perceived shortcomings have hindered EU-ACP relations. Germany firmly believes that it is of utmost importance for this Council to reconsider the very nature of EU-ACP cooperation, while integrating new sustainable development goals and governance principles in this new framework and reassessing modalities of facilitating development.

B: A Post-Cotonou Framework for EU-ACP Relations

Germany believes that a post-Cotonou EU-ACP framework must be able to effectuate a constructive developmental aid mechanism that could suit conditions of individual ACP

countries spread across three diverse and heterogeneous regions, while being able to foster improved governance, reduced corruption and enhanced protection for human rights and freedoms, which would bring such framework in line with values stated in the EU Charter of Fundamental Rights. Meanwhile, it is essential for the EU to provide developmental aid that promotes sustainable growth and socioeconomic capacity-building and is in accordance of 2030 ASD, which, in the long run, would be able to facilitate structural changes for the better in these less developed states. This would also provide more comprehensive incentives for our ACP partners to accept EU aid in face of competition from new developmental donors, such as China.

It is in the view of this Government that any new framework should be considered to a greater extent on regional lines within the ACP. Germany believes the ACP as a single group of states is too excessively all-encompassing to be appropriate or effective in facilitating the planning and delivering of developmental aid, while strengthening seven preexisting regional groupings originally for Economic Partnership Agreements (EPA) should be able to provide a more suitable underpinning in the short term. The importance of directly cooperating with autochthonous regional institutions outside of the catch-all framing of the ACP, such as but not limited to the African Union and the Pacific Islands Forum, should also be further emphasised and considered in the long term, since a one-size-fits-all solution like the ACP would not serve this wide range of countries well due to its lack of common action and rapport. Such diversification of outreach outside of the ACP should also be able to alleviate effects caused by the withdrawal of the United Kingdom from the EU, as it is in this Government's interest that this Union and its member states should seize this opening to expand and deepen interactions with such Commonwealth members on various bilateral and multilateral fora,

Germany also feels that shortcomings of the Cotonou Agreement should be promptly addressed, especially in regards of EU-ACP trade relations. It is of our utmost concern that EPA negotiation under the Cotonou framework, which promotes reciprocal preferential trade, have mostly been stalled due to the fear of EU products being over-competitive in ACP economies, which might negatively affect the viability of their own indigenous industries, and the disagreements between Least Developed Countries (LDC) and non-LDC countries within the ACP, since the EU's preexisting Everything But Arms (EBA) regime enables LDC to maintain their non-reciprocal trade preferences. It is the opinion of this Government that any automatic granting of trade preferences for all ACP states should be abolished and the EBA principle terminated in favour of concluding bilateral trade agreements with willing individual ACP states or/and regional bodies, which would be more flexible in terms of trade conditions that could be designed to attend to varying needs and concerns of a state or a regional bloc. This would ensure that, while developing states, especially LDCs, could still enjoy preferential treatment in trade when negotiated with EU through bilateral means and under WTO rules, local industries in these countries would be protected according to the conditions of the state or region in question.

Furthermore, it is in this Government's position that the new framework ought to maintain and consolidate the regime of political conditionality on the issuance of development aid. Germany is one of the first proponents of earmarking development aid contingent upon good governance and fulfilling certain political requirements, such as respect for basic human rights and democratic values. Germany holds that the approach of political conditionality could be further extended to

only allocating development aid to developing countries that commit themselves to actively facilitate positive changes in their socioeconomic status quos, such as stamping out corruption that likely includes the embezzlement of development aid funds, in order to further increase the likelihood that all aid funds would be correctly managed and utilised. Also, conditionality could also include clause or commitment on promoting intra-regional free trade and other aspects that the EU sees fit.

C: Delivering EU Development Goals

Germany welcomes the integration of the UN 2030 Sustainable Development Goals (SDGs) into the forthcoming framework, which could provide a more comprehensive goal-setting benchmark for intended recipients of EU developmental aid. Germany feels that several SDGs should take precedence over the others, especially those that entails the improvements in access to basic living necessities including water, food and electricity, access to education and healthcare, and the infrastructure that facilitates such access and promotes economic and social mobility, including transportation. Without advancing on these goals, other SDGs, such as poverty alleviation and gender equality, could not be easily delivered as well.

It is our conviction that the modalities of implementation in delivering such ambitious SDGs could be established in reference of the recommendations set out in the basic outlines of the 2015 Addis Ababa Action Agenda (AAAA). Moreover, it is in line with Germany's belief that simply donating ODA is not enough, but a more comprehensive approach that uses ODA and other means to facilitate socioeconomic capacity-building in developing countries and regions, which should be prioritised in order to effectuate self-help and future self-sustained development, such as investing in education, food security basic infrastructures and women empowerment. It could reduce risk of social conflicts stemming from poverty, lack of basic necessities and opportunities and poor governance, thus improving capability in upholding stability and security on a national and regional level.

Other means should also be emphasised, such as trade and promoting contribution from non-state socioeconomic actors. Trade is a key instrument in realising SDGs, however caution must be exercised as trade without the appropriate protective mechanisms as mentioned in the previous section could potentially exert more harm to the local economy than any good to development. Acting on the spirit of AAAA and the 2014 Busan Partnership for Effective Development Cooperation, Germany is convinced that a combination of non-state actors, such as international development organisations, the private sector and civil society, could become independent development actors that could also assist in delivering SDGs and a sustainable self-help socioeconomic ecosystem, in concert with the EU and governmental institutions of developing states.

Germany is against the budgetisation of the EDF in its current or proposed state. It is essential that the developmental aid funding to remain predictable within a considerable amount of time than on an annual basis since any development planning is not an annual project but a long-term undertaking. Moreover, it would be near to impossible for the European Parliament to scrutinise every proposed strategy for 78 ACP states and more than 7 distinct regions just to approve an

annual funding within the EU budget. The risk of politicisation and delays on funding approvals would also affect the viability of projects and the credibility of the EU amongst our partners. Moreover, the consideration of a post-Cotonou framework would mean that the status of the EDF would be in flux. Germany supports the short-term continuation of the use of the EDF as the source of funding for developmental aid for ACP states, even though potential future frameworks could entail the breaking-up of EU-ACP developmental cooperation into different individual regions. However, the question of whether the EDF should be budgetised or whether there is a need to disband the ACP induced by such developments should only be discussed when a general direction for a post-Cotonou framework has been agreed upon and set.

D: Conclusion

The Federal Republic of Germany is a proud supporter of development in the developing world and it continues to seek new and innovative ways to fulfil our responsibility as Germans and Europeans to help those in need outside of our region, helping underdeveloped countries be able to stand up tall and proud through their own capacity. The Federal Chancellor and the Foreign Minister of the Federal Republic of Germany are looking forward to being with the Council Presidency and our fellow colleagues in Brussels to set the future agenda for the developmental policies of our European Union towards more than 74 countries in the world, most of which have been in dire need of developmental support. This delegation eagerly anticipates other opinions and alternative proposals on this matter through constructive dialogue with our fellow delegations on 25-26 May.