

COUNCIL OF THE EUROPEAN COMMUNITIES
GENERAL SECRETARIAT

PRESS RELEASE

6551/89 (Presse 82)

1319th Council meeting
- Development Co-operation -

Brussels, 16 May 1989

President: Mr Luis YAÑEZ BARNUEVO

State Secretary for International
Co-operation and Latin America of
the Kingdom of Spain

The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium:

Mr André GEENS Minister for Development Co-operation

Denmark:

Mr Bent HAAKONSEN State Secretary,
Ministry of Foreign Affairs

Germany:

Mr Hans-Peter REPNIK Parliamentary State Secretary,
Federal Ministry of Economic Co-operation

Greece:

Mr Constantinos LYBEROPOULOS Ambassador,
Permanent Representative

Spain:

Mr Luis YAÑEZ BARNEUVO State Secretary,
International Co-operation and
Latin America

France:

Mr Jacques PELLETIER Minister for Development Co-operation

Ireland:

Mr Sean CALLEARY Minister of State at the Department of
Foreign Affairs with special
responsibility for Overseas Aid

Italy:

Mr Giovanni MANZOLINI

State Secretary,
Ministry of Foreign AffairsLuxembourg:

Mr Joseph WEYLAND

Ambassador,
Permanent RepresentativeNetherlands:

Mr P. BUKMAN

Minister for Development Co-operation

Portugal:

Mr José Manuel DURAO BARROSO

State Secretary,
Foreign Affairs and Co-operationUnited Kingdom:

Mr Christopher PATTEN

Minister for Overseas Development

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Commission:Mr Manuel MARIN
Mr Abel MATUTESVice-President
Member

CO-ORDINATION IN SUPPORT OF STRUCTURAL ADJUSTMENT IN THE ACP STATES

The Council held a discussion on the strengthening of co-ordination in support of structural adjustment, during which all Ministers stressed the importance that ought to be given to this matter; after the discussion, the Council adopted the following Resolution:

1. The Council notes that support for structural adjustment in the ACP countries will remain an important element of the various donors' development policies for longer than was initially expected. Lessons have been drawn from the first generation of adjustment programmes, and the Community and the Member States have made their contribution.

The political will is emerging among many donors to support the adjustment process so as to make it more pragmatic, more differentiated and more tolerable for the recipient States than in the past.

2. The Council would point out that it formulated the Community's approach to the support of structural adjustment in developing countries in its Resolution of 31 May 1988.

It stressed there the need for effective co-ordination:

- on the one hand, within the framework of the existing mechanisms and structures, between the Commission and the Member States in both the recipient States and Brussels;
 - on the other hand, between the Community and the World Bank/IMF.
3. To give practical effect to such co-ordination at the level of both the Community and the other donors, in particular the Bretton Woods Institutions, the Commission has submitted to the Council a working document dealing with the aims of co-ordination and proposing certain courses of action.
 4. The Council agrees with the broad lines of the Commission's analysis.
 5. It considers in particular that the strengthening, in the way defined below, of co-ordination in the provision of support for adjustment must be directed towards two objectives:
 - to increase consistency and convergence between the approach of the Commission and the Member States at all levels in the Community, in the ACP States and in the Institutions of the World Bank and the IMF;
 - to communicate the Community's point of view to other donors sufficiently early in the procedure, so that its own ideas are properly taken into account. This does not mean opening up paths parallel to those followed by

the World Bank or the IMF, or making Community activities subject to decisions taken by them alone.

6. The Council recognizes the growing role to be played here by the Programming Committee, with regard to the general and the country-by-country approach in support of adjustment under the future ACP-EEC Convention. The EDF Committee will examine the specific measures to be financed in each country.
7. However, like the Commission, it would stress that, in advance of these formal consultation and information meetings, informal meetings, on a country-by-country basis, could usefully be held between representatives of any Member States wishing to participate and the Commission.

These meetings, organized in a flexible and pragmatic manner at the initiative of the Commission or one of the Member States, would be aimed at:

- facilitating exchanges of views and information on each Member State's experiences, perceptions and intentions in regard to the issue of adjustment in the various ACP States;
 - helping to draw up, country by country, a coherent Community approach to the process of adjustment and thus making it easier for the Community and its Member States to be involved in a harmonious manner in the formulation and monitoring of adjustment policies.
8. Such co-ordination among donors can only facilitate on-the-spot discussions, in which the beneficiary country must always play a central role.

In this connection, the representatives of the Member States and the Commission in each country have a fundamental role to discharge:

- firstly, by strengthening their co-ordination in analysis of the country's problems and the solutions proposed for overcoming them;
- secondly, by tackling their discussions with the country and with the other donors in a way which takes account of the outcome of the co-ordination meetings held within the Community.

9. The Council also considers that a more systematic exchange of information between the Member States and their (full or deputy) administrators within the World Bank and the Monetary Fund on the outcome of co-ordination will naturally result from the strengthening of such co-ordination.

Moreover, where they judge it to be useful, European administrators and Commission representatives may hold informal discussions, for example at their monthly meetings, on the issue of support for adjustment, either in general terms or on a country-by-country basis.

10. The Council welcomes the Commission's intention of holding Community co-ordinating meetings, where appropriate and at its own instigation or that of a Member State, prior to meetings at which the recipient countries' strategies are discussed (consultative groups, round tables, etc.).

11. The Council believes it would be useful periodically to discuss - for example, at the informal meetings of the Directors-General for Development - the Community's overall approach to the adjustment process as a whole. The Council also considers that the Commission should at the appropriate time submit any proposals for refining and developing the approach to adjustment which was set out in its conclusions of 31 May 1988.

12. The Council considers that these guidelines, without involving a change in structures, must lead to greater consistency and convergence in the approach of the Commission and the Member States to the problems of adjustment in order to strengthen the Community's role and effectiveness in its dialogue with both its ACP partners and other donors.

ASSESSMENT OF FINANCIAL AND TECHNICAL CO-OPERATION WITH LATIN AMERICAN AND ASIAN DEVELOPING COUNTRIES

After hearing an introductory statement by Commissioner MATUTES presenting the Commission's report on 13 years of development co-operation with the Latin American and Asian developing countries, the Council approved the following conclusions:

1. The Council noted with great satisfaction the recent forwarding by the Commission of its report taking stock of the Community's co-operation with the Asian and Latin American developing countries for the period 1976 to 1988.
2. At its meeting, reaffirmed the importance which it attaches to this co-operation with some forty countries having a combined population of 3 400 million inhabitants.
3. The Council expressed its warm appreciation of the very comprehensive nature of this report, which supplies detailed data not only on the Community's financial and technical assistance to the ALA developing countries, but also on all the other instruments of co-operation which have so far been developed between the Community and those countries (food aid, economic co-operation, humanitarian aid, etc.).
4. It agreed that the main features of this report would soon form the subject of a booklet addressed to the general public.

5. The Council took note of the Commission's view that, taken as a whole, the record is a positive one. In its report, the Commission emphasizes:
- (i) The Community has been able to extend its co-operation to all the developing nations of the world, going beyond its privileged relations with the ACP and Mediterranean countries: the European presence is now a reality in almost all the developing countries, thus fulfilling one of the Council's aims;
 - (ii) The Council's operational targets have been reached: development aid, represented by financial and technical co-operation plus the food aid implemented directly by the Commission, has thus responded to the obvious needs of the Asian and Latin American developing countries and the neediest of them especially;
 - (iii) Community aid has been implemented effectively overall, in spite of a fairly difficult start-up period for certain projects.
6. Although in general the Council welcomes these considerations, it notes, as does the Commission, that the Community's response to development needs in Asia and Latin America still needs to be improved, with account being taken of the fact that the two regions are made up of extremely diversified and heterogeneous countries. It therefore considers that the various instruments of Community co-operation with these countries must be used in such a way as to respond to the specific character of each, and must adapt themselves to the profound changes taking place in their respective economic situations.

7. The Council considers that at this stage the Commission's report should be examined in greater depth, so that the appropriate lessons can be drawn from it.
8. The Council requests the Commission, in the light of this examination, to undertake some general reflection on the future development of all forms of Community aid and co-operation with the Asian and Latin American developing countries. The aim of this reflection should be to lay down more precise guidelines for Community co-operation with these countries.
9. This reflection will, as soon as possible, form the subject of a communication enabling the Council to hold in-depth discussions with a view to defining appropriate guidelines for Community co-operation with these countries in the 1990s.

- PROGRESS OF NEGOTIATIONS FOR THE RENEWAL OF THE ACP-EEC CONVENTION
- MULTILATERAL TRADE NEGOTIATIONS (URUGUAY ROUND)

Following an introductory statement by Mr MARIN, Vice-President, the Council held a broad discussion on the progress of proceedings for the renewal of the ACP-EEC Convention, with a view to the ministerial negotiating session in Brussels from 3 to 5 June 1989.

In the same context, the Council also discussed the aspects relating to the development of the Uruguay Round multilateral trade negotiations.

PROBLEM OF ACP STATES' DEBT

The Council noted a statement by the Minister Mr GEENS concerning the problem of the ACP States' debt and suggesting that the Community should undertake a study on this subject. He drew Ministers' attention in particular to the plan drawn up by four Belgian academics, entitled "Coopération pour la Règlement des Dettes des Pays d'Afrique, des Caraïbes et du Pacifique - CORDA" (Co-operation for the Settlement of the Debts of the African, Caribbean and Pacific States).

USE OF AID INSTRUMENTS - COUNCIL STATEMENT

1. The Council has noted with interest the document submitted by the Italian Development Minister to the Council meeting on 31 May 1988 concerning the importance of balanced use of the various intervention instruments for development co-operation and the priority to be accorded to combating total poverty in developing countries.
2. In this connection the Council would recall its Resolution of 31 May 1988 on the economic situation and adjustment process in sub-Saharan Africa, in which it stressed the complementarity of two different types of aid, both of which are indispensable for the recovery of economic growth:
 - (a) support for medium and long-term development;
 - (b) support for adjustment measures by means of fast-disbursing instruments.
3. The Council would emphasize that a certain measure of flexibility is required in allocating and implementing Community aid instruments so that the Community and its Member States can, in co-operation with the authorities of recipient countries, continue to promote the economic, social and cultural development of those countries.

4. The Council notes that there may be imbalances between various regions and strata of population in countries receiving aid. Some of them may be in danger of missing out on the development process, thereby becoming completely marginal. The Council would encourage the Commission, the Member States and recipient countries, when designing programmes and projects and within the limits of available resources, to take account of the needs of people who are not benefiting sufficiently from development efforts undertaken by donors.

5. In particular, the Council invites the Commission and the Member States, in co-operation with aid recipients, to examine possible ways of meeting the needs of these people through studies or co-financed projects, micro-projects, special schemes, etc.. In this connection, special attention should be devoted to aspects of projects or programmes which could have an immediate impact on the situation and environment of the people concerned and could be implemented rapidly.

WOMEN IN DEVELOPMENT - COUNCIL CONCLUSIONS

1. The Council reiterates and confirms the importance it attaches to the role of women in the development process. In this connection it has adopted a number of resolutions or conclusions, most recently on 9 November 1987.

The Community's policy in this field is to take systematic account of women's role in development projects financed by the Community. This principle applies in all the Community's co-operation activities (ACP, Latin-American, Asian and Mediterranean countries) and in all sectors.

2. The Council has examined with interest the report submitted to it by the Commission in response to the request which it made at its meeting on 9 November 1987.

It welcomes the progress made by the Commission in fields such as training and awareness programmes for staff responsible for development projects and evaluation of the impact on women of certain projects financed by the Community.

However, the Council considers that the Commission's report is merely an initial analysis of the problems and that work must continue, with the aim of outlining an action programme in this field within the context of the existing instruments for co-operation with developing countries.

One thing which such an action programme must do is to determine how in practice the woman's role is to be taken into account at the different stages of implementing projects and programmes, and in particular in terms of identification, feasibility studies, internal follow-up and evaluation. An important objective must be to encourage women to take a more active part in the different aid operations, so that their technical, economic and management skills will be enhanced and their social role reinforced.

3. The Council notes that the Commission's analysis, with which it very largely agrees, concentrates particularly on the rural development aspects (access of women to credit and land, to extension services and to education, training and technology). While recognizing the importance of the rural sector for women, the Council thinks that there is a case for exploring and developing subjects such as women in urban environments and women in relation to health, population and the informal sector.
4. The Council encourages the Commission to continue, on the basis of the guidelines drawn up by the Community, its contacts and exchanges of views on this subject with those non-governmental organizations which have extensive experience of dealing with the situation of women in development. Likewise, it requests the Commission to continue holding regular meetings on specific

themes with experts from the Member States; the exchange of information which takes place is of great usefulness.

5. In view of the importance which the Council attaches to this question, it would emphasize that the Commission should maintain and build up its structures and procedures for implementing the Community's policy in this field.
6. The Council requests the Commission to keep it informed of its ideas and of the progress made.

CO-OPERATION EVALUATION - COUNCIL RESOLUTION

1. The Council has taken note of the document which the Commission forwarded to it in response to the request it made in the guidelines adopted on 9 November 1987, following the work conducted by the Commission and the Member States' experts. It calls upon the Commission and the Member States to continue their work and to give tangible form to their findings in their respective practices and methods. This co-operation will rest upon increased collaboration between the relevant Commission departments and the experts from the Member States.

2. The Council notes that the Commission intends to produce a concise annual report taking stock of the way its work is proceeding and containing a work programme for the coming year, as well as reviewing progress achieved in intra-Community co-operation.

This report will contain both qualitative and quantitative analyses, and should be the subject of an exchange of views between the Commission's experts and those from the Member States.

The exchange of views will also cover the evaluation work done by Member States. The report will be finalized by the Commission in the light of the discussions.

3. The Council urges the Commission and the Member States to publish regular summaries of the findings, conclusions and recommendations resulting from their evaluation exercises.

It is, moreover, important that as a general rule the Commission's evaluations should be available to those Member States which request them. In return, the Member States affirm that they are prepared to make their own evaluation reports available on request, insofar as they may be communicated.

4. The Council considers that the main point of evaluation for both the Commission and the Member States is to ensure that full account is taken of the results in the design and implementation of future development projects. In this connection, it is for the Commission and the Member States, each for its own part, to introduce adequate procedures.
5. The Council would also draw attention to the importance which it attaches to the beneficiary States and the target groups being involved as far as possible in the evaluation process and it calls upon the Commission and the Member States to step up their efforts to that end.

6. Within the context of the work of the group of experts, which should concern principally the practical aspects of evaluating aid programmes, account should be taken, in order to avoid duplication, of the work being done on evaluation methods and procedures in other fora, including the OECD Development Assistance Committee.

 7. The Council supports the idea, suggested at the meeting of experts, of evaluations being conducted, in certain instances, jointly with the Commission and one or more Member States. It considers that such a joint effort might prove useful to both parties and calls upon the Commission to take the appropriate initiatives as soon as possible. The Council regards support for structural adjustment and aid for agricultural research and development as being among the topics which could initially be the subject of such joint evaluations. It also asks the experts from the Commission and the Member States to decide on the conditions for joint evaluations.

 8. The Council stresses the important role of the Commission's evaluation unit. It continues to attach particular importance to the evaluation of co-operation as an essential part of a successful development policy.
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