

The Irish Association of Non-Governmental Development Organisations

## **OPENING STATEMENT TO THE EU AFFAIRS COMMITTEE**

26<sup>th</sup> June 2024 Jane Ann McKenna, CEO, Dóchas

Chairman, Deputies and Senators, thank you for the invitation to meet with you today to brief you on "EU funding of the development sector and the role of the EU in international development". As many of you will know, there have been recent indications of changes in the direction of EU external policies affecting development programmes, and funding cuts to existing programmes, and these present challenges to us as the representatives of Irish civil society organisations working internationally.

## 1. Current situation – where are we now

In 2022, Ireland delivered 44% of its official development assistance, or €354m to the EU, and we would expect that figure to be even higher now. Earlier this year, European Council decided a cut of at least €2bn in Global Europe-NDICI, mainly to fund Ukraine and Internal migration pressures. At the time, we wrote to An Tánaiste, Micheál Martin, to share our concerns on this, urging Ireland to work at EU level in order to make sure that cuts are not made at the expense of people, communities and countries that are furthest behind and who benefit most from EU support. We fear that such cuts will leave the 2030 Agenda even further off-track.

Last week the 2025 EU Budget Proposal was announced. In this, there is a 10% reduction of the budget in actual payments to beneficiaries. The cut is spread in different ways across the different programmes but you can see that in terms of new projects and programmes, the cuts will be largely in the geographic and thematic (human rights, peace, CSOs, global challenges) areas.

Global Europe ODA allocations should be aligned with each country's specific development needs and aspirations. In addition, according to the NDICI regulation, Least Developed Countries (LDCs) should receive between 0.15% and 0.2% of EU GNI. Indeed, in the current context of increasing global crises and inequalities, many of us would argue that LDCs require even greater support. During our engagement with the Department for Foreign Affairs over the past few months, we have sought a 'differentiated approach' to these 'decommitments' which would protect Least Developed Countries (LDCs), fragile and conflict-related countries, and the most vulnerable within these contexts.

However, we are also very concerned that the EU specifically deprioritises programmes in countries where the EU has a weak relationship with the national authorities. Yet, as Ireland has shown, it is precisely in the most fragile and difficult contexts that engagement and aid must be maintained. Quite simply, cuts within the Global Europe MIPs should affect LDCs or fragile countries least. Otherwise, people facing shortages of all kinds, a lack of access to basic services and a highly insecure environment will suffer most.

## 2. <u>Implications for the future</u>

This is relevant not only in the current rounds of cuts and how they are implemented but as we look to the future revised MFF which negotiations will be starting shortly – and will form a key part of the lead up to Ireland's EU Presidency.

We urge the Irish Government to challenge the use of the EU's international cooperation budget as an instrument to advance geopolitical and primarily foreign policy objectives. Foreign policy and international cooperation should remain distinct, allowing international cooperation to focus on the long-term and prioritising support to people - while foreign policy and its tools address shorter term concerns and relations between states. The use of the Global Europe funds should not be determined by the nature of the EU's relations with a given state, nor should it be used to advance EU economic interests as per the Global Gateway, or to address domestic priorities such as migration.

Global Gateway, as it currently exists, should not be the only lens through which to look at the future of the EU's external action and its commitment to addressing the multifaceted challenges we are currently witnessing across the world. This instrument should have the flexibility and scope within it to protect human rights, environments and provide space for our Irish foreign policy values. The EU does not operate exclusively in contexts where investments should be the sole way of working. We believe that the EU must also be a reliable partner in fragile contexts and in those in which there is no reasonable expectation of a return on investment.

A quarter of the world's population (23%) is living in 60 fragile contexts. The increasing number of conflicts and climate disasters is exacerbating the already dismal humanitarian situation worldwide. Crises are becoming more complex, recurrent, and protracted. Humanitarian action alone cannot be the solution. Development actors have a key role to play in these contexts from the earliest stage and must seek a coherent strategy to effectively work in them and to prevent situations from spiralling into humanitarian disasters.

Earlier this year, two prominent EU documents suggesting the change of direction we have highlighted came to light - an internal Commission 'briefing book' from DGINTPA on international partnerships and a draft 'EU Strategic Agenda, 2024-2029' at leadership levels. Although these documents suggest a 'first mover' agenda-setting for a harder agenda among some EU policy-makers, relegating the roles of the environment and of civil society actors, we also see an opportunity to push back against this agenda with a well-concerted strategy of actors and allies for a more-balanced approach, with Ireland playing a leading role.

As clearly stated in the Lisbon Treaty, the Cotonou Agreement, the Development Cooperation Instrument (DCI), and the EU Consensus on Development, the eradication of poverty is the main objective of EU development cooperation and policies. We must uphold this principle as we look to the next MFF.

## 3. Our recommendations

We recommend that the Irish Government, with the assistance of this committee:

- Maintains the integrity and long-term objectives of EU development cooperation in line with Irish foreign policy values as expressed in 'A Better World'.
- Ensures that the Commission's development policy objectives respect the EU's legal and political commitment to promoting sustainable development.
- Commits to sustainable human development and putting the wellbeing of people and the planet in the centre of decision-making.
- Ensures that funding for external cooperation remains distinct from migration, asylum and internal security.
- Strengthens the role of civil society, both local and international, who have a recognised vital role in implementing humanitarian, peace, development and environmental policies.
- Provides quality funding for sustainable development, that is aligned with the 2030 Agenda.

We would appeal to you in the interests of our foreign policy values and our track record in delivering effective development assistance to work towards a more rounded approach, by forming an effective coalition of allies, including our Government, our new EU Commissioner, MEPs and members of this committee.

Today I am joined here by Emily Wiggins, EU Director of the ONE Campaign, Angela O'Neill, Head of Global Partnerships and Funding with Trócaire, and Dominic Crowley, Emergency Director of Concern Worldwide and former President of VOICE Europe – who will illustrate the impact that the current cuts will have and implications for the EU's role in international development if the current trajectory persists.

I will now hand over Emily Wiggins, who will share the perspective from Brussels.