

COUNCIL OF THE EUROPEAN COMMUNITIES

COMPILATION OF TEXTS

**ADOPTED BY THE COUNCIL
(MINISTERS FOR DEVELOPMENT COOPERATION)**

1 January 1989 to 31 December 1991

Brussels 1992

INTRODUCTION

The European Community's development co-operation policy, which complements the policies of the Member States, is aimed essentially at the economic and social development of developing countries, the smooth and gradual incorporation of those countries into the world economy and at the control of poverty in those same countries. This policy contributes towards the general objective of developing and consolidating democracy and the rule of law and towards the aim of ensuring respect for human rights and the fundamental freedoms.

Much of the discussions at the six-monthly meetings of the Council composed of Ministers for Development is taken up by an examination of general or specific topics with a view to adjusting or supplementing Community action regarding them, in the light of experience and changing notions or needs.

This second volume ⁽¹⁾ of the compilation of texts brings together under subject headings the main guidelines, conclusions and resolutions adopted by the Council over the last three years.

(1) Catalogue number for the first volume: BX-55-89-536-FR-C.

**PRINCIPLE RESOLUTIONS, CONCLUSIONS AND STATEMENTS
ADOPTED BY THE DEVELOPMENT COUNCIL
SINCE 1989**

	Page
FOOD AID	
Council Resolution of 21 November 1989 on guidelines on food aid	11
Council conclusions of 29 May 1990 on food aid policy	17
ENVIRONMENT AND DEVELOPMENT	
Council conclusions of 21 November 1989 entitled "Development and Environment - countering desertification"	25
Council Resolution of 21 November 1989 on other aspects of development and environment, including the management and conservation of tropical forests	28
Council Resolution of 29 May 1990 on environment and development	31
Council Resolution of 29 May 1990 on tropical forests : development aspects	37
Council statement of 28 November 1991 on the United Nations Conference on Environment and Development (UNCED)	43

WOMEN IN DEVELOPMENT

Council conclusions of 16 May on women in development 49

STRUCTURAL ADJUSTMENT

Council Resolution of 16 May 1989 on the strengthening of co-ordination in support of structural adjustment 55

HEALTH

Council conclusions of 21 November 1989 on AIDS control in developing countries 63

EVALUATION

Council conclusions of 16 May 1989 on co-operation evaluation 67

Council conclusions of 29 May 1990 on the evaluation of development co-operation 71

NGOs

Council Resolution of 27 May 1991 on co-operation with NGOs 75

COUNTERPART FUNDS

Council Resolution of 27 May 1991 on the use of counterpart funds generated by the various development assistance instruments 83

	Page
HUMAN RIGHTS, DEMOCRACY AND DEVELOPMENT	
Council Resolution of 28 November 1991 on human rights, democracy and development	91
EMERGENCY AID	
Council Resolution of 28 November 1991 on emergency aid	101
CO-OPERATION WITH THE ALA DEVELOPING COUNTRIES	
Council conclusions of 16 May 1989 on the assessment of financial and technical co-operation with the ALA developing countries	107
Council conclusions of 21 November 1989 on the record and evaluation of co-operation with the ALA developing countries (1976 to 1988)	111
Council guidelines of 18 and 19 December 1990 and 4 February 1991 for co-operation with the Asian and Latin American countries (1)	115

(1) These guidelines were the subject of a preliminary debate by the Development Council of 5 November 1990 and were adopted by the Council composed of Ministers for Foreign Affairs.

FOOD AID

COUNCIL RESOLUTION OF 21 NOVEMBER 1989
ON GUIDELINES ON FOOD AID

The Council recalls that the framework Regulation on food-aid policy and food-aid management adopted in December 1986 and implemented swiftly and efficiently by the Commission placed emphasis on the contribution which food aid should make to the balanced economic and social development of recipients.

The Council reiterates and emphasizes that food aid should be incorporated in the Community's overall development policy, while taking account of the development efforts of the recipient countries. Consideration should therefore be given in each case to which instrument can most effectively meet the needs of recipients, while bearing in mind the specific objectives and characteristics of food aid, directed in particular towards raising the standard of nutrition of the population and promoting food security.

The Council also reiterates the principles applicable to food-aid policy in the Resolution which it adopted on 23 November 1988 on food security in sub-Saharan Africa and makes reference to the discussions presently taking place on a broader definition of food security.

It considers that account should be taken of certain changes that have occurred over the last few years which are aggravating the economic difficulties of many developing countries (increase in the prices of imported foodstuffs and balance of payments deficit).

Following a debate based in particular on an excellent discussion paper submitted by the Commission, the Council wishes to define a number of guidelines which should underlie the Community's food-aid policy.

1. Analysis of requirements

Apart from emergency situations, which must be given top priority, the choice of food aid as a development aid instrument should be based on a careful examination of the actual requirements of the recipient and the most appropriate ways in which these can be met. Non-emergency food aid should normally be provided only when there is a food import requirement and where its provision will improve food security or meet the needs of a vulnerable group.

2. Food aid in the framework of development

The Council reiterates the importance of better integration of food aid with other forms of development assistance at the planning, programming and implementation stages. It invites the Commission and Member States to continue discussions aimed at producing specific proposals to that end.

3. Evaluation

To ensure the satisfactory programming of food aid, the Council wishes to stress the importance of two types of evaluation, viz.:

- an ex ante evaluation which takes account as far as possible of the needs of vulnerable groups, the activities of other food-aid donors and the impact of the aid proposed on local production and markets as well as the criteria set out in Article 2(4) of Council Regulation No 3972/86 on food-aid policy and management;
- an ex post evaluation covering individual measures and an assessment of the annual programme as a whole. The Council invites the Commission and the Member States to introduce an appropriate procedure for that purpose, in order to provide the Community with a document evaluating the operation of the previous programme.

4. Products

The Council calls upon the Commission always to allocate the products best suited to local conditions, allowing for their cost/efficiency ratio, and to that end to exercise total flexibility within the range of products to be supplied.

5. Multiannual programmes

In order, in particular, to cope with structural deficits, the Community may carry out multiannual programming of food-aid operations.

However, such operations must meet specific criteria and conditions which the Commission and the Member States will have to establish in time for the next meeting of the Development Council.

The Council also recommends that each multiannual programme be subject to a detailed mid-term review with the possibility of altering its initial guidelines.

6. Food aid and structural adjustment

The grant of food aid will not be conditional on implementation of a structural adjustment programme.

In the Resolution which it adopted on 31 May 1988, the Council laid emphasis on the integration of social aspects into structural adjustment programmes and on co-ordinated and flexible use in such programmes of development instruments, including food aid.

Therefore, when a country has embarked on a process of economic adjustment, food aid can be integrated into that process by the use of counterpart funds generated by the sale of the products supplied, or by free or subsidized distribution targeted at vulnerable groups or groups affected by the adjustment measures.

7. Free distribution to vulnerable groups

Where the evaluation procedure makes it possible to identify vulnerable groups, free distribution operations are desirable.

However, such operations should be limited so that they do not disrupt local production or markets or increase rural depopulation.

8. The role of NGOs and international organizations

The Council considers that international bodies and NGOs can contribute to ex ante evaluation, distribution and monitoring of food aid measures through their detailed local knowledge and experience in a particular recipient country and it invites the Commission to consider ways of enhancing their role in these activities.

9. Triangular operations and local procurement

The Council reiterates the advantages of increased use, wherever desirable and possible, of operations involving product procurement in the developing countries, in particular to underpin food security at regional level.

The Council notes, however, that there are certain impediments to the implementation of such operations, notably the inadequacy of rural infrastructures. It therefore recommends that particular attention be paid to this aspect in the use of other development instruments.

10. Counterpart funds

The first priority in use of counterpart funds must be to benefit rural development; however, where structural adjustment programmes exist, food aid may also be used to back up measures to attenuate the social consequences of such adjustment.

11. Co-ordination

The Council emphasizes the need for the Community and its Member States to co-ordinate their action more closely, in the framework of the existing bodies and in the field.

It calls upon the Commission to take every step, in the appropriate bodies, to strengthen co-ordination between donors and recipients with a view to the concerted programming of food-aid consignments.

In this connection, the Council is interested to note that a food-aid charter is being drawn up for the Sahel countries in an attempt to improve the co-ordination of the action of donors and recipients.

12. Budget

Aware of the difficulties to which developments in the cost of foodstuffs can give rise as regards the proper progress of food-aid programming, the Council is anxious to see a satisfactory solution found to the problem of financing food aid in accordance with the provisions of Council Regulation (EEC) No 3972/86 on food-aid policy and food-aid management.

CONCLUSIONS OF THE COUNCIL OF 29 MAY 1990
ON FOOD AID POLICY

1. At its meeting on 21 November 1989, the Council adopted a comprehensive Resolution on food aid policy. In this Resolution it asked that further discussions take place on three topics: the integration of food aid with other forms of development assistance; specific criteria and conditions for multiannual programmes; and the nature of the overall assessment of the annual food aid programme of the previous year.
2. Discussions, limited to these three topics, have taken place on the basis of information provided by the Commission and the Member States: the Council draws the following conclusions:

A. Integration of food aid with other forms of development assistance

As recognized in Article 2 of the framework Regulation, food aid has a specific role and objectives, aimed at strengthening food security. Its integration with other development instruments and with the development efforts of the recipient country can contribute in a significant way to these objectives. This integration may be achieved from the programming through to the execution stages by,

- the taking into account, in the programming and implementation of Community aid, of recipients' food needs and the role that Community aid can play in this regard, in order to ensure that food aid and the other development instruments are used in a co-ordinated manner to maximize their impact on food security. In this context the Commission might, on an experimental basis and in conjunction with the recipient country concerned:
 - = draw up and implement, on a country level, fully integrated programmes of EC development assistance in a few countries which have a recurrent food deficit and which receive significant EC food aid and financial assistance on a regular basis
 - = monitor closely the effectiveness of this integrated approach in these countries
 - = submit a report in due course to the Council on the results achieved by this experiment;
- actions involving both food aid and financial and technical assistance, as have already been initiated by the Commission. In these cases close co-ordination should take place during the programming, implementation, monitoring and evaluation stages. In this context, the Council invites the Commission to consider ways of improving co-ordination between the various Committees when these are considering related proposals for food aid and for financial assistance;

- an integrated use of food aid with other instruments to improve the food security of carefully identified vulnerable groups, through, inter alia, free or subsidized distribution of food aid, "food for work" projects, nutritional or social welfare projects. Where appropriate, locally purchased food should be used in such actions;
- using food aid in projects or programmes receiving other types of aid from the Community or the Member States.

In reviewing the possibilities for integrating food aid with other forms of development assistance, the Council notes that the use of counterpart funds deserves further reflection. It expresses its interest in a broad review of the use of counterpart funds from all sources.

In order to improve co-ordination of food aid and other Community development assistance, joint meetings of the Council Working Parties on Food Aid and Development Co-operation should be organized whenever this seems appropriate.

B. Multiannual programmes

The Council recalls that the Community gives priority to emergency situations and that multiannual programmes should be used only where it can be clearly demonstrated that in this way the overall effectiveness of the food aid allocation will be increased. It stresses the necessity of ensuring that the total proportion of the Food Aid Programme committed in multiannual programmes does not reach a level which might in any way reduce the Community's ability to respond to these or other priority requests.

The Council recognizes that multiannual food aid programmes, as envisaged by the framework Regulation, can improve the role of food aid as a development instrument and facilitate its integration with other development instruments. Multiannual programmes provide a continuity of supply over an agreed number of years of food aid and, where food aid is sold, counterpart funds in support of an identified food security objective. Multiannual programmes should also make it possible to improve the implementation of triangular operations by forward planning, thereby increasing their impact and effectiveness.

The essential criteria for deciding a multiannual food aid programme are the existence in the recipient country of:

- a structural food deficit at national level; however, in exceptional circumstances where a serious long term local deficit has been clearly identified, the possibility of multiannual food aid action might be considered;
- viable food policies (concerning, for example, the balance between imports and local production, pricing policy);
- a project or a programme which has been subject to identification and appraisal and in which food aid has been identified as an essential component.

Multiannual programmes should also be subject to the following conditions:

- evidence, confirmed by the appraisal, that the programme in question will not adversely affect local food production;

- flexible programming which would allow for modification of the choice or quantity of products or the use of substitution measures, should such changes better meet current food security objectives;
- detailed mid-term review with the possibility of altering the programme or project's initial guidelines as set out above.

C. Overall assessment of the annual food aid programme of the previous year

As an aid to decision-making on programming, the Council requests the Commission, shortly after the end of each year, to present an overall statistical review of the preceding year. This should indicate the state of implementation of each decision taken and should be accompanied by a brief commentary providing an overview of the annual programme and detailing any problems or exceptional events encountered in the previous year.

°
° °

The Council notes that the suggestion has been made that the Community's food aid should be programmed in value terms rather than, as hitherto, in quantities. It requests the Permanent Representatives Committee to study the implications of such a change and report on its conclusions to a future Council.

ENVIRONMENT AND DEVELOPMENT

COUNCIL CONCLUSIONS OF 21 NOVEMBER 1989
ENTITLED "DEVELOPMENT AND ENVIRONMENT - COUNTERING DESERTIFICATION"

The Council recalled the Resolution it adopted on this subject in April 1986 and took note of a Commission report on the action undertaken in this field since then.

It was particularly pleased to see that the number of Community-financed projects to counter desertification had increased greatly and that, overall, a sum in the region of one thousand million ecus had been invested either directly or indirectly in Africa to this end over the past three years.

It noted with interest that the variety of measures taken had enabled a broader strategic approach to desertification to be adopted, aimed at safeguarding balances as a whole and at tying the measures concerned in closely with development problems. The Council emphasized the advantages of projects to combat desertification by a global approach the aim of which is also to increase income, improve resource management and monitor migratory movements.

Despite an improvement due to higher rainfall in some regions over the past two years, the Council observed that desertification remained a worrying problem warranting further long-term efforts by the Community and its Member States.

The Council therefore stressed the importance of the Community and the Member States continuing to support efforts in this area by the developing countries and particularly by the ACP. This support should take the form, in general, of paying systematic attention to the problem of desertification when drawing up development projects and, more specifically, of implementing projects aimed directly at countering desertification.

In this context, the Council stressed the need to create in the partner countries the general conditions enabling an appreciable improvement in the management of natural resources to be achieved; these would in particular involve:

- stepping up co-ordination efforts so that projects were carried out through a global approach in which socio-economic development went hand in hand with respect for the environment;
- helping people in the rural areas concerned to take a greater part in cultivating village lands in a way that took the natural factors of production into account;
- helping to increase national means of ensuring that projects were suitable with regard to natural resources and the environment.

The Council pointed out that its Resolution of 1986 highlighted the importance of co-ordination, in particular to ensure sufficient concentration of aid, and stressed the need for more progress in this area. In this connection, the Council restated the importance which it attached to regular meetings between those responsible in this field in the Member States and the Commission.

The Council pointed out that it would be desirable, in due course, to make an assessment of the measures taken by the Commission and the Member States to combat desertification. The assessment should concentrate in particular on the question of the involvement of the population concerned and should provide information on experience with the global approach and the general conditions for improving resource management.

COUNCIL RESOLUTION OF 21 NOVEMBER 1989
ON OTHER ASPECTS OF DEVELOPMENT AND ENVIRONMENT, INCLUDING
THE MANAGEMENT AND CONSERVATION OF TROPICAL FORESTS

The Council held a detailed discussion on the subject of development co-operation and the environment.

It noted the developing countries' growing concern for the environment.

It also noted that the degradation of the environment in the developing countries was indissolubly linked to the problem of poverty.

The Council acknowledged the need for rapid action to meet the developing countries' legitimate desire for economic growth in a protected and properly managed environment.

The Council recalled the statement by the Presidency on behalf of the Community before the United Nations: the Community was ready to join internationally co-ordinated efforts to combat global threats to the environment. In this

context, it was necessary to support developing countries by promoting specific technologies and by way of additional financial aid in order to assist them in coping with the new burden. Existing instruments of co-operation should be fully utilized to this end. Furthermore, consideration was required as to how these instruments or new mechanisms could be applied effectively and flexibly so as to contribute to the implementation of emergency programmes such as the Tropical Forest Action Plan or to involve developing countries in the realization of the aims and objectives of the Montreal Protocol.

The Council considered that it was essential to:

- draw up guidelines enabling environmental problems to be better incorporated into development co-operation;
- devote appropriate means to this task.

The Council invited the Commission and the Member States to continue discussions on these two topics and to draw up specific proposals making Community policy on the matter more operational for its next meeting in May 1990, in the framework of the Working Party on Development Co-operation, calling on expert help if necessary. It also instructed COREPER to examine the Commission's communication on the conservation of tropical forests from the development policy angle and to report back on this point.

In the context of this work, special attention should be given to examining the following topics in particular:

- knowledge of the current situation as regards the environment and natural resources in the developing countries;
- relations between development economics and the environment and their financial implications, including their effect on debt, particularly in the context of structural adjustment;
- co-ordination of the projects of the Community and of the Member States and co-ordination of their positions in international fora;
- the strengthening of procedures and expertise within the Commission for the purpose of promoting the systematic integration of environmental aspects at all stages of development projects;
- the strengthening of governmental and non-governmental organizations dealing with the environment in the developing countries;
- Community support for action by the developing countries in international fora;
- priority action areas (forest planning, desertification, countering erosion, urban planning, water purification, etc.).

COUNCIL RESOLUTION OF 29 MAY 1990
ON ENVIRONMENT AND DEVELOPMENT

1. Following the request made by the Council at its meeting on 21 November 1989, the Council bodies have pursued their discussions of the need
 - to draw up guidelines enabling environmental considerations to be better integrated into development co-operation;
 - to devote specific appropriate means to this task.
2. On the basis of the discussions held and of a paper provided by the Commission departments, the Council reconfirms the conclusions reached on 6 November 1984 and 9 November 1987 on the need to integrate environment and development and on the means to be used to this end.

The Council recognizes that it is for each country to determine its broad environment policies. However, the Council confirms that all projects and programmes financed by the Community and the Member States in whatever sector should take into account at all stages their effect on the environment.

This may entail specific environmental safeguards agreed in dialogue with developing countries on individual aid projects and programmes.

3. The Council underlines that the environmentally sound and sustainable management of natural resources is of fundamental importance to developing countries. It further recognizes that the enforcement of sound environmental policies is made more difficult by the lack of adequate technical and financial resources and these policies face a serious challenge from the rapid and concentrated growth of population. Soil erosion, desertification, deforestation, air and water pollution and rapid urbanization are among the most pressing environmental problems facing those countries. These issues represent real barriers to economic growth and sustainable development and are priorities for development assistance.
4. The Council stresses that the achievement of sustainable development inter alia requires greater understanding of the local environment and of environmental economics in developing countries and more systematic consideration of environmental factors in national decision making.

The Council declares the willingness of the Community and the Member States to assist developing countries in protecting their natural resource base through supporting research activities, institution building, training and other forms of institutional support.

The Council considers that the active involvement of local populations in decision-making and implementation is of fundamental importance in ensuring that proper attention is given to environmental factors. Support should be extended to local communities to organize themselves and to strengthen, enrich and apply their own means and capacities for the care of their environment while responding to their needs. The role of NGOs in general in this respect, and indigenous NGOs in particular, is stressed.

5. The Council notes the vital necessity of involving developing countries in worldwide efforts to tackle the emerging global environmental issues. Such involvement requires continuing and environmentally sustainable economic growth in developing countries and the reinforcement of efforts to tackle poverty.

The Council recognizes the need both to ensure that existing and future aid contributes as effectively as possible to these tasks and to provide additional resources on concessional terms. The Council considers that as far as the provision of additional public resources is concerned, existing co-operation instruments, including financial mechanisms, represent an appropriate channel at this stage.

The Council considers that, in the allocation of these resources, particular attention should be given to priority needs of developing countries, taking into account the need to alleviate global threats, in particular, climate change and depletion of the ozone layer. In this context, the Council attaches particular importance to forestry and to energy efficiency.

6. The Council recognizes that a number of practical steps are needed to translate the broad principles noted above into action.

In order to improve environmental consideration in development activities, the Council attaches particular importance to:

- support for developing countries in defining environmental priorities, strengthening their environmental institutions and legislation and staff training. In this context, the Community and its Member States underline the need for much closer concrete co-operation at the country level with other development partners and with the active participation of the recipient country. In this work, support should be given in particular to the preparation and implementation of environmental action plans at national and sectoral level and conservation strategies. The Council stresses the importance of taking existing plans into account in the programming of Community and Member States' aid;
- active implementation of environmental impact assessment by the Community and its Member States following both their own directives and procedures and/or those which have been developed by relevant international bodies;

- implementation, in co-operation with the ACP States, of the reinforced provisions of the fourth Lomé Convention, taking into account the principles outlined in paragraphs 1 to 5 above. Work should begin as soon as possible on the preparation of jointly approved checklists to help estimate the environmental viability of proposed operations with the help of environmental impact assessments where appropriate, so that both can be used on the preparation of Lomé IV projects and programmes;
- increased stress on the environment in the Community's future co-operation with the countries of Latin America, Asia and the Mediterranean region, based on appropriate operational principles and procedures in line with the objectives outlined above;
- active participation by the Community and the Member States in work to improve environmental appraisal methodologies, to develop appropriate tools in environmental economics and to improve understanding of the state of the environment in developing countries. In this context, the Council notes the work of the DAC on environmental issues. The Council recalls its previous conclusions on the need for experts meetings organized by the Commission and considers that these meetings should complement the work in other fora, as appropriate;

- the provision of training and guidance in environmental appraisal and monitoring for the aid staff of the Commission and the Member States both at headquarters and in the field. The Council recognizes that considerable work has already been undertaken in this respect; however, the need for the adoption of operational principles and guidelines is stressed;
 - the provision of appropriate environmental expertise in the Community and Member States' aid agencies. The Council stresses the need to take environmental factors into account from the beginning of project planning, which requires the active participation of all those involved.
7. The Council notes that Environment and Development will be a central theme in a number of forthcoming international meetings. The Council recognizes the importance of agreement on measures to assist the accession of developing countries to the Montreal Protocol at the London Conference in June. The Council also looks forward to the Second World Climate Conference in November and the 1992 United Nations Conference on Environment and Development in Brazil. The Council will ensure that development issues are fully considered in the preparation by the Community and the Member States for these meetings.

The Council undertakes to keep this issue under review, to monitor progress and to return to consider it at a future Council.

COUNCIL RESOLUTION OF 29 MAY 1990 ON TROPICAL FORESTS:
DEVELOPMENT ASPECTS

1. As an addition to its consideration of the general question of Environment and Development, the Council, following the intention it expressed at its meeting on 21 November 1989, has examined from the development policy perspective the Commission's communication on the conservation of tropical forests. The Council shares the analysis contained in the communication and broadly agrees with its conclusions.

The Council attaches great importance to the conservation of tropical forest resources - that is, their preservation, rehabilitation and sustainable management, supported by reforestation. Such resources are essential for the sustainable development of developing countries and are of worldwide importance in view of possible consequences of deforestation for climate change, loss of biodiversity and degradation of the natural resource base.

2. The Council has noted the estimated need to double the present level of donor resources devoted to forestry and associated activities and therefore considers that a major increase in funding is needed by all donors. It recognizes that progress in meeting this aim will depend on increasing the capacity of donors and developing countries to devise and implement appropriate actions. It welcomes the fact that the Commission and some Member States have already set in train major increases in their forestry activities.

3. The Community and its Member States recognize the necessity of a worldwide co-ordinated strategy for tropical forest resources and endorse the following principles and activities :

- Responsibility for tropical forests lies with the countries concerned. Donors should concentrate on supporting action taken by the developing countries themselves and, where necessary, help them to develop forest conservation strategies and to strengthen their institutional capacity in this sector.
- The Tropical Forestry Action Plan (TFAP) should be the basic framework for co-ordinated funding and action in the support of forest activities. The Council urges the Community and the Member States to support current efforts to implement the principles of the TFAP, considers these efforts need to be reinforced and made more effective and welcomes the review of the TFAP now underway. At a forthcoming meeting, the Council will examine the findings of that review and ways of making the TFAP more effective.
- Countries actively supporting the conservation of their remaining natural forest through legal, fiscal and institutional measures and the revision of land use policies should merit special attention. Action to correct policies which encourage forest destruction should also be fostered and supported.

- Member States and the Commission should ensure that all their activities which directly or indirectly affect forests are coherent and co-ordinated among themselves and with other donors and recipients and that they have effective units with the necessary forestry expertise.

- The future geographical allocation of forestry aid should be co-ordinated using the mechanism of the TFAP. Priority must continue to be given to the poorest countries and those without the resources to help themselves. However, regions where the threat to forests is particularly serious and which may not previously have been a priority for donors should receive particular attention in the allocation of additional resources.

- The type of support will vary from country to country in accordance with their particular needs. Particular emphasis must be given, in line with the priorities of the TFAP, to: the integration of forestry actions with agriculture; restoration of fuelwood supplies; the establishment of reserves based on the environmental and biodiversity functions of forests; the sustained management of natural forests; and to strengthening and supporting institutions, with a view to increasing local capacity for sustainable management. There is a need for donors to co-ordinate their actions as regards countries and sectors.

- Particular importance has to be attached to the social dimension of forestry. The traditions and experience of indigenous forest dwellers should be respected and drawn upon while at the same time the needs and problems of new settlers and those living on the periphery of the forest should be addressed. Active steps should be taken to involve local populations in the planning and implementation of projects.
- Special emphasis must be given to the involvement of international and national NGOs in the TFAP process, particularly at local level.
- Particular consideration should be given to the role of the International Timber Trade Organisation (ITTO) in promoting sustainable management, notably in establishing guidelines for best practice in this sector. The ITTO should be encouraged to carry out its actions in a manner consistent with the TFAP framework.

The Council takes note of the recent adoption, by the eighth session of the ITTO, of guidelines for the rational management of natural tropical forests and of an action plan and work programme for forest industries and notes in particular the objective whereby, by the year 2000, all exports of tropical timbers and their derivatives should come from resources managed in ways that are compatible with their conservation.

- Forestry research is of fundamental importance. Particular emphasis should be placed on improving sustainable productivity of forests; identifying non-timber resources of the forest and key areas of biodiversity and evaluating the environmental services provided by trees and forests. Reinforcement of the research capacities of the developing countries themselves should be a priority.

4. The Council welcomes the increased priority given to tropical forestry in the Lomé IV Convention. Practical action will need to be agreed with individual partners. The Council supports the Commission's intention to lay emphasis on TFAP exercises and to take into account the strategy outlined at 3 above in its dialogue with ACP countries during the preparation of Lomé IV indicative programmes. Action at a regional level will be equally important.

5. In its future consideration of co-operation with developing countries in Asia and Latin America, the Council feels that greater emphasis must be placed on the conservation of tropical forests, where possible within the context of the TFAP and in accordance with the strategy set out in paragraph 3 above. The Council notes with interest the Commission's intention to propose a programme for forest conservation with eight Amazonian countries.

6. In conclusion, the Council underlines that the success of this strategy requires increased attention to forestry aid policies in donor countries, appropriate policies and institutions in developing countries, better co-ordination and additional resources from all donors. It urges the Commission and the Member States periodically to monitor and assess the implementation of this strategy and to report back on progress to a future Council.

COUNCIL STATEMENT OF 28 NOVEMBER 1991
ON THE UNITED NATIONS CONFERENCE ON ENVIRONMENT AND DEVELOPMENT
(UNCED)

1. The United Nations Conference on Environment and Development to be held in Rio de Janeiro in June 1992 provides a unique opportunity for enhanced co-operation between all nations with a view to achieving sustainable development worldwide.

The European Community and its Member States acknowledge their responsibilities in this process, have played a leading role in the preparatory work so far and pledge their full commitment to contributing towards the successful outcome of the Conference. They will work towards adopting at Rio in 1992 an Earth Charter and a relevant and effective Agenda 21, signing the biodiversity and climate change conventions and adopting a declaration on forests to be reinforced thereafter by an international legally binding convention.

The Council has had a preliminary discussion on the UNCED process and, in particular, the development aspects which they consider to be of great importance. The Council is fully committed to ensuring that the EC and its Member States continue to play an active and constructive role in the negotiations. The Council emphasizes the need to achieve a positive result that takes into account the special interests and concerns of developing countries.

2. The issues under consideration at UNCED deserve full attention, as each of them forms an important element of a strategy for sustainable development. They should be dealt with in such a way that a balanced and integrated approach to environment and development will be secured.
3. The European Community and its Member States are fully committed to building a strengthened partnership with Governments in the developing world, based on mutual commitments by all countries in the light of their relative capacities and their common but differentiated responsibilities.

This principle implies good governance and effective integration of economic, social and environmental policies in all countries.

4. The European Community and its Member States agree on the need for new and additional resources to assist developing countries to deal with global environmental externalities. They also agree on the need for more funding for implementing sustainable development policies at the national level. They believe that the Global Environment Facility should play a leading role in helping developing countries tackle global environmental problems.
5. The European Community and its Member States are committed to co-operating with developing countries to improve their access to environmentally sound technologies, increase the transfer of such technologies on a fair and more favourable basis and to enhance their capacity to use and develop these technologies.

6. The Council acknowledges that development issues form an important part of the work of the UNCED and therefore welcomes and approves the suggestion that a joint informal meeting of the Development and Environment Councils early in 1992 be held under the Portuguese Presidency in order thoroughly to discuss these issues before the 4th session of the Preparatory Committee of the United Nations Conference on Environment and Development.

WOMEN IN DEVELOPMENT

CONCLUSIONS OF THE COUNCIL OF 16 MAY 1989
ON WOMEN AND DEVELOPMENT

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

topics with Member State experts; the exchange of information at such meetings is exceedingly useful.

5. The Council attaches great importance to this question and therefore stresses that the Commission's operating structures and methods should be preserved and strengthened for the purpose of implementing Community policy in this area.
 6. The Council asks the Commission to keep it informed of its further thinking on the subject and of progress achieved.
-

STRUCTURAL ADJUSTMENT

COUNCIL RESOLUTION OF 16 MAY 1989 ON STRENGTHENING
CO-ORDINATION IN SUPPORT OF STRUCTURAL ADJUSTMENT

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) Executive Directors 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 Executive Directors 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 that 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.
-

HEALTH

COUNCIL CONCLUSIONS OF 21 NOVEMBER 1989 ON AIDS CONTROL
IN THE DEVELOPING COUNTRIES

1. The Council received with interest the Commission's report on implementation of the programme approved at the Council meeting on 21 May 1987.
2. In the light of that report, the Council noted that the phenomenon remained particularly serious, despite the efforts made, and that the alarming spread of the disease justified long-term measures in this field.
3. Noting that all the measures which could be implemented on the basis of the programme adopted in 1987 would soon have been initiated, the Council stressed the need to continue efforts to support the measures taken by the developing countries to combat AIDS and asked the Commission to take steps to that end using the quickest procedures available.
4. With this in mind, the Council stressed:
 - the need to act in conjunction with the States concerned, taking account of the regional dimension of the problem;
 - the importance of involving the population and public and private bodies operating locally;
 - the advisability of continuing and stepping up existing co-ordination with the WHO in its special programme on AIDS and with Member States in the context of their research and health programmes. In this context, special attention would also be given to programmes for combating sexually transmitted diseases;
 - the value of collaborating with the WHO in monitoring the pandemic and in evaluating measures taken;
 - the priority which should continue to be given to prevention and information.

EVALUATION

COUNCIL CONCLUSIONS OF 16 MAY 1989 ON CO-OPERATION
EVALUATION

1. The Council has taken note of the document which the Commission forwarded to it in response to its request 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 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.
-

COUNCIL CONCLUSIONS OF 29 MAY 1990 ON THE EVALUATION OF
DEVELOPMENT CO-OPERATION

1. The Council has for some years been concerned to improve the effectiveness of the evaluation of development co-operation. In November 1987 it adopted guidelines on future work in this area and, in May 1989, reiterated the importance which it attaches to the establishment of sound evaluation procedures.
2. Following the request made by the Council, the Commission has forwarded to it a report containing an overview of evaluation activities and results in 1989, its work programme for 1990 and a summary of the results of co-operation between the Member States and the Commission. This report has been the subject of an exchange of views between the Commission's experts and those from the Member States.
3. The Council welcomes this report and considers that it represents a significant advance in the field of both the Commission's own evaluation activities and co-operation between the Commission and the Member States.

The Council notes with satisfaction that the Commission's evaluation unit has been significantly strengthened and that it intends in the future to evaluate more projects in Latin America, Asia and the Mediterranean regions.

The Council, noting the findings of the report in relation to the implementation of Community aid and the Commission's management of this aid, recognizes that a number of the problems identified are also experienced by Member countries in their bilateral aid programmes. It invites the Commission to take the necessary steps to follow up the recommendations of the report and, in particular, to improve feedback through better project formulation, appraisal and management.

4. The Council, which will keep this question under review, invites the Commission and the Member States to maintain and develop the EEC internal co-operation process which has now been set up.
-

NON-GOVERNMENTAL ORGANIZATIONS

COUNCIL RESOLUTION OF 27 MAY 1991 ON
CO-OPERATION WITH NGOS

1. Community co-operation with the Non-Governmental Development Organizations began in 1976, at the initiative of the European Parliament, with the entry in the budget of an amount of ECU 2,5 million intended for the joint financing of programmes and projects. The funds available for this type of development co-operation, which has had the particular support of the European Parliament, have been regularly increased to the extent that an amount of ECU 105 million has been entered under this item in the 1991 budget.

Over the years, other articles in the budget have been established as and when necessary in order to allow for co-operation with the NGOs in specific areas. The amount set aside in 1990 for this type of co-operation totalled ECU 318 million, to which should be added financial contributions from the EDF.

It would seem an opportune moment, after 15 years of experience, to review the action taken in this field, examine what has been achieved and draw some lessons for future action.

2. The Council welcomes the fact that NGOs from the different Community Member States are collaborating with one another in this field. The Community has found the NGOs to be efficient and reliable partners in the work of implementing programmes and projects aimed at making lasting improvements in the living conditions and development prospects of the peoples of the beneficiary countries. The Community's contribution is a response to the many years of commitment and support displayed by the general public in Europe for co-operative non-governmental action.

The NGO-EC Liaison Committee plays an essential role in strengthening the Community's collaboration with the NGOs and collaboration among the NGOs themselves.

The Council endorses the Commission's efforts to give support for action by new NGOs as well as action which has not in the past been the subject of Community co-operation.

3. One of the main aims of the Community's development co-operation policy is to help provide for the needs of the poorest peoples. Maintaining close contacts as they do with these peoples at the grass roots and knowing their conditions and needs, the NGOs are well placed to make a significant contribution towards achieving this aim.

The Council recognizes that, because of their presence on the ground or their networks, the NGOs are in a position to ensure the effective channelling of emergency aid to people in the direst need following natural disasters or other occurrences.

The Council also emphasizes the highly significant contribution which the NGOs make in certain areas such as the advancement of women's status and environmental protection. It urges the Commission to share information on these matters with the NGOs.

Furthermore, in their campaigns to inform, educate and foster the awareness of the public about development matters, the NGOs play an essential part in channelling the energies of European citizens into this area. They thus foster public understanding and the support which is essential if a development policy is to succeed.

4. The Council stresses the importance of the NGOs being autonomous and independent, whether established in the north or in the south. In particular, they must be solely responsible for development projects which they put forward for joint financing.

The Council notes that in a number of developing countries there are private or local development schemes. It welcomes the European NGOs' wish to encourage such schemes.

5. In this regard, the Council is pleased to note the emphasis which the fourth Lomé Convention places on decentralized co-operation, which is based on an approach similar to that used with the European NGOs while at the same time being aimed more directly at the decentralized agencies in the developing countries themselves. Properly implemented, this new concept should enable a close relationship to be forged between the peoples of the north and the south concerned with development. It may also be applied in the Community's co-operation machinery in the fields of redirecting the Mediterranean policy and new guidelines for co-operation with the Asian and Latin American developing countries.

Indeed, the Council believes it essential to support and strengthen the decentralized agencies in the developing countries, including the NGOs and the local authorities, in order to involve the local people fully in the development effort. Government action, though important, is not sufficient to ensure that development is both sustainable and harmonious.

Moreover, the fact that there are associations of private persons dedicated to development work in the southern countries is in itself an encouragement for democracy to take root and an incitement to greater respect for human rights. The Council is convinced that these two aspects are essential if development schemes are to succeed. This is especially important at a time when a number of developing countries are engaged in the process of democratization. The Council considers that particular attention should be paid to supporting the NGOs and other bodies in the developing countries dedicated to the promotion and observance of human rights.

6. Each year the Council examines a Commission report on the previous year's co-operation with the NGOs. These discussions have shown that the Community system, which must be complementary to national efforts of the same kind, is working satisfactorily. Nonetheless, the Council would stress the need for some analytical data, other than statistics, to be included in this report and accordingly asks the Commission to proceed with assessments.

It seems at this stage appropriate to draw some conclusions from the Community's and NGOs' long field experience. A number of aspects should be examined, such as:

- possible improvements in the system for selecting projects in view of the large number of projects postponed from one year to the next;
- consistency of the procedures used for the different budget headings;
- simplification and speeding-up of administrative procedures for the NGOs;

- giving effect to Community emergency aid;

- strengthening the machinery for exchanges of views between the NGOs and the Commission.

The Council will examine the outcome of this study at a future meeting.

7. To conclude, the Council emphasizes the importance which it attaches to this type of co-operation and, noting the NGOs' great absorptive capacity, firmly hopes that the regular increases in appropriations earmarked for them within the resources allocated to development will continue in the years to come.

COUNTERPART FUNDS

COUNCIL RESOLUTION OF 27 MAY 1991 ON THE USE OF
COUNTERPART FUNDS GENERATED BY THE VARIOUS DEVELOPMENT ASSISTANCE INSTRUMENTS

1. The Council notes that, in view of the increasing volume of counterpart funds generated by the various development assistance instruments and their integration into the structural adjustment policies pursued by an increasingly large number of countries, it should be ensured that such funds are used for the optimum growth of the developing countries. It therefore agrees to define, on the basis of a Commission staff working paper, a number of general principles which should help to guide the policies to be followed in this area at Community and Member State level.
2. The Council points out here that the Community provisions on counterpart funds, which are still the basis of the relevant Community policy, were defined by the Lomé Convention and by food aid Regulation No 3972/86 and the Council Resolutions of 13 November 1988 and 21 November 1989. It further notes that in the case of the Member States other administrative or legislative provisions govern the detailed rules for the constitution and use of counterpart funds.
3. The Council underlines the importance of seeing, in all the countries benefiting from counterpart funds, that such funds are rapidly constituted, are the subject of transparent and stringent management and supervision and are used in accordance with the priorities agreed in the legislative or administrative instruments governing the projects of the Community and its Member States generating counterpart funds.

4. The Council recognizes that counterpart funds do not pose problems of the same type in all countries and that their use must be adapted to both the economic situation of the countries concerned and the volume of counterpart funds generated there. It considers it necessary to step up Community co-ordination and co-ordination with other providers of funds, in particular the World Bank and the IMF, in this sphere, in particular in the countries pursuing stabilization and adjustment policies.
5. The Council considers in this light that, for countries which are marginal beneficiaries of counterpart funds and do not have serious imbalances, the traditional practice of allocating counterpart funds, within the framework of the budgetary priorities and practices of the States concerned, to specific projects or programmes can be continued.
6. The Council thinks it essential nevertheless, for adjustment countries, that stabilization and reform requirements should be reconciled with the requirement to use funds in accordance with the texts governing the policies of the various providers of funds. In this connection, the Council would recall its Resolution of 16 May 1989 on co-ordination on support for structural adjustment.

The Council holds that efficient and optimum use of counterpart funds should be based on the following principles:

- (i) the counterpart funds generated by the various development assistance instruments constitute resources which must be managed as part of a single and consistent budgetary policy in the context of a programme of reforms;

- (ii) the effectiveness of the support for structural adjustment depends on the policies and institutional reforms put in train, including those concerning public expenditure. The Community and the Member States should therefore make sure that counterpart funds are used consistently in broad budgetary headings of on-budget priority public expenditure. In respect of the countries subject to adjustment, the process of drawing up and monitoring this programme should be strengthened as regards both current and investment expenditure so as to ensure that public resources are allocated to the most urgent requirements in terms of effectiveness and fairness.
- (iii) the agreements concluded with the beneficiary countries concerning the management of counterpart funds must be consistent with the stabilization and adjustment targets agreed under the reforms.
- (iv) all counterpart funds of each donor should be consolidated in a single account by donor at the Central Bank consistent with that donor's statutory regulations. Donors should agree with the authorities in each recipient country on a common form for reporting on counterpart fund payments due to be collected from importers and amounts actually paid.

7. The Council considers that the implementation of such principles also postulates a strengthening of co-ordination at the level of the Community and its Member States with the aim of:

- planning, whenever possible, the constitution and allocation of counterpart funds;
- undertaking, as part of concerted efforts by all the providers of funds, a progressive reduction in the accumulated stocks of counterpart funds which exceed the capacity to make effective and non-inflationary use of them;
- simplifying, harmonizing and standardizing procedures for the constitution, use and monitoring of counterpart funds, according to the characteristics of each developing country and the budgetary rules of the developing countries and of the Member States of the Community.

8. As for the Community as such, the Council, on the basis of the general principles defined above and in order to implement the Lomé Convention, approves the Commission's approach giving priority, within the framework of the priority aims defined by the States concerned, to the social dimension of adjustment in the use of counterpart funds, in particular by providing for appropriate coverage of the education and health sectors and special attention for environmental protection. Such priority does not preclude other possible allocations for counterpart funds in accordance with the text of the Lomé Convention and the texts governing food aid.

9. In conclusion, the Council refers to the need for the Community to strive for greater co-ordination of budgetary policy with the other providers of funds, in particular the World Bank and the International Monetary Fund, in order to ensure at a very early stage in the process, by means of appropriate exchange of information and active participation in the formulation of public expenditure and public investment programmes, that appropriate account is taken of Community concerns and that the level and composition of the budget are effective and equitable.

10. The Council stresses the need for all providers of funds, in implementing these principles, to strive for the greatest possible consistency among themselves. To this end, it invites the Member States and the Commission to make use of the forum for co-ordination offered by SPA to strengthen this necessary consistency in the effective and equitable use of counterpart funds.

 11. The Council would ask the Commission to submit during 1993 a report on the implementation of this Resolution; if necessary, it will revise its guidelines.
-

HUMAN RIGHTS, DEMOCRACY AND DEVELOPMENT

RESOLUTION OF THE COUNCIL AND OF THE MEMBER STATES OF 28 NOVEMBER 1991
ON HUMAN RIGHTS, DEMOCRACY AND DEVELOPMENT

1. The Council recalls the European Council Resolution of 29 June 1991 which stated that respect for human rights, the rule of law and the existence of political institutions which are effective, accountable and enjoy democratic legitimacy are the basis for equitable development. It also recalls the 1986 declaration of Foreign Ministers of the Community on Human Rights (21 July 1986) and reaffirms that respecting, promoting and safeguarding human rights is an essential part of international relations and one of the cornerstones of European co-operation as well as of relations between the Community and its Member States and other countries. In this regard, it stresses its attachment to the principles of representative democracy, of the rule of law, of social justice and of respect for human rights.
2. The Council shares the analysis contained in the Commission's communication of 25 March 1991 and acknowledges that human rights have a universal nature and that it is the duty of all states to promote them. At the same time, human rights and democracy form part of a larger set of requirements designed to achieve balanced and sustainable development. In this context, account should be taken of the issue of good governance as well as of military spending.

The Council considers it important that the Community and its Member States should have a common approach aimed at promoting human rights and democracy in developing countries. Such an approach would improve the cohesion and consistency of initiatives taken in this field. The objective of the present resolution is to formulate concrete guidelines, procedures and lines of action.

3. The Community and its Member States recognize the necessity of a consistent approach towards human rights, democracy and development in their co-operation with developing countries. Development co-operation is based on the central place of the individual and has therefore, in essence, to be designed with a view to promoting - in parallel with economic and social rights - civil and political liberties by means of representative democratic rule based on respect for human rights. They endorse, on the basis of these principles, the following approaches, instruments and activities.
4. The Community and its Member States will give high priority to a positive approach that stimulates respect for human rights and encourages democracy. An open and constructive dialogue between them and the governments of developing countries can make a very important contribution to the promotion of human rights and democracy. Various initiatives can be undertaken, for example, through active support for
 - countries which are attempting to institute democracy and improve their human rights performance;
 - the holding of elections, the setting up of new democratic institutions and the strengthening of the rule of law;

- the strengthening of the judiciary, the administration of justice, crime prevention and the treatment of offenders;
- promoting the role of NGOs and other institutions which are necessary for a pluralist society;
- the adoption of a decentralized approach to co-operation;
- ensuring equal opportunities for all.

At the request of the Commission or one of the Member States, the possibility of increased assistance to developing countries in which substantive positive changes in human rights and democracy have taken place will be examined.

5. The Council stresses the importance of good governance. While sovereign states have the right to institute their own administrative structures and establish their own constitutional arrangements, equitable development can be effective and sustainable only if a number of general principles of government are adhered to: sensible economic and social policies, democratic decision making, adequate governmental transparency and financial accountability, creation of a market-friendly environment for development, measures to combat corruption, as well as respect for the rule of law, human rights and freedom of press and expression. The Community and its Member States will support the efforts of developing countries to advance good governance and these principles will be central in their existing or new development co-operation relationships.

6. While, in general, a positive and constructive approach should receive priority, in the event of grave and persistent human rights violations or the serious interruption of democratic processes, the Community and its Member States will consider appropriate responses in the light of the circumstances, guided by objective and equitable criteria. Such measures which will be graduated according to the gravity of each case could include confidential or public démarches as well as changes in the content or channels of co-operation programmes and the deferment of necessary signatures or decisions in the co-operation process or, when necessary, the suspension of co-operation with the States concerned.

The Member States and the Commission will exchange immediate information concerning such measures and consider joint approaches in reaction to violations. They will be informed in such cases through the EPC communications network and particular cases may be further discussed within the Council framework.

7. The Community's response to violations of human rights will avoid penalizing the population for governmental actions. Rather than simply discounting development co-operation, the Community and the Member States may adjust co-operation activities with a view to ensuring that development aid benefits more directly the poorest sections of the population in the country, for example through non-governmental or informal networks, while at the same time establishing a certain distance vis-à-vis the government concerned. Such adjustment will focus on the choice of partners of projects and of the type of co-operation programmes. In all cases, however, humanitarian and emergency aid which directly benefits vulnerable populations will continue to be made available.

8. The Council welcomes the efforts undertaken in recent years by developing countries to move towards democracy. It is recognized that governments have to build the political, economic and social structures to support democracy and that this is a gradual process which will sometimes take a relatively long period. The Community and its Member States will support the process and hold regular informal exchanges of views on the best possible course of action in order to achieve lasting results as speedily as possible.
9. The Council attaches very great importance to the question of military spending. Excessive military expenditure not only reduces funds available for other purposes, but can also contribute to increased regional tensions and violations of international law as well as often being meant and used for the purposes of internal repression and the denial of universally recognized human rights.

Moreover, in a period in which donor countries are engaged in a process leading to levels of armament not exceeding sufficiency levels, development co-operation with governments which maintain much larger military structures than needed will become difficult to justify. In the dialogue with their partners in developing countries, the Community and its Member States will stress the negative effects of excessive military spending on the development process. They will consider adopting concrete measures in their co-operation in order to encourage developing countries to reduce their military expenditure, which is often excessive in relation to their legitimate security needs, and simultaneously to implement development projects of an economic and social nature, with particular emphasis on the education and health sectors. With this in mind, they may consider increasing support for

countries which achieve substantial reductions in their military expenditure or reducing support for countries which fail to do so. The Council recognizes the need for restraint and transparency in the transfer of conventional weapons to developing countries. It will further examine the question of military spending by developing countries along these lines. The Community and its Member States will request countries with which development co-operation relationships are maintained to co-operate voluntarily with the new United Nations register of arms transfers.

10. the Community and its Member States will explicitly introduce the consideration of human rights as an element of their relations with developing countries; human rights clauses will be inserted in future co-operation agreements. Regular discussions on human rights and democracy will be held, within the framework of development co-operation, with the aim of seeking improvements.

In order to facilitate timely support by the Community for initiatives in developing countries aiming at the promotion of respect for human rights and the encouragement of democracy and good governance, it is intended to expand resources devoted to these ends within the overall allocations available for development. Sound activities in third world countries promoting human rights and democracy both by governments and by non-governmental entities will be eligible for financial support. The Community and its Member States undertake in addition to incorporate the promotion of respect for human rights and the advancement of democracy in their future co-operation programmes.

The Commission will transmit an annual report to the Council on the implementation of this resolution.

In addition to the consultations and meetings which can be convened as stipulated in paragraphs 4, 5 and 6, a meeting will be held annually by representatives of the Commission and Member States to consider policies and specific lines of action to further enhance respect for human rights and the establishment of representative democratic rule.

EMERGENCY AID

COUNCIL RESOLUTION OF 28 NOVEMBER 1991 ON
EMERGENCY AID

1. The Council, taking account of the conclusions of the Council on 27 May 1991, recalls and reaffirms its resolution of March 1977 on the co-ordination of Community and Member States' emergency and humanitarian aid, completed by the modalities adopted on 28 November 1977. It stresses in particular the importance of co-ordination as a means of increasing the effectiveness of emergency aid and underlines the need for close co-ordination with the United Nations in efforts to strengthen the international response to emergency situations.
2. The Council recognizes the positive results achieved by the Commission and Member States in the framework of this resolution which have increased the effectiveness of European emergency aid.
3. It recommends the Commission and Member States to continue and amplify these co-ordination efforts in Europe and on the ground and to take appropriate administrative and other measures to this end. It notes the need to continue to work closely with the NGOs which may be responsible for the implementation of much of the emergency aid. These efforts will be complementary to those necessary at the United Nations level.

4. It invites Member States and the Commission to take measures to transmit in good time the necessary information as regards their decisions as well as to ensure closer co-ordination on the ground, including that of the use of military logistic facilities.
5. The Council further agrees that meetings, presided by the Commission, of correspondents on Emergency Aid shall be convened by the Commission on its own initiative or exceptionally at the request of a Member State.

The correspondents will be experts who are involved bilaterally in emergency aid. In addition to dealing with actions of co-ordination of emergency relief operations, such as exchange of information and the setting up of combined operations, they will contribute to the stocktaking of available emergency aid means made available by the Commission and the Member States, including that of NGOs. Furthermore, they will be informed, as necessary, by the Commission about emergency food aid actions undertaken by the Community and, in particular, the work of the Food Aid Committee. They may also contribute, through the information provided, to the co-ordination and preparation of emergency aid issues in meetings of the United Nations specialized agencies.

6. The Council supports the formation of co-operation links between the Commission and one or more Member States in order to implement emergency aid where it is clear that such co-operation has an operational advantage over other kinds of channels and aid.

7. The Council requests the Commission to complete, in conjunction with Member States, its stocktaking of emergency aid policy, of resources and possibilities, including an evaluation of experience gained in the recent past with the latest logistic facilities available to itself and the Member States, in order to be better equipped for co-ordinated action in this field and so as also to be able to establish as effectively as possible from that basic information to what extent a co-operation link for the implementation of emergency aid affores a comparative advantage. The stocktaking may also make a contribution to discussions on the matter in the United Nations.

**CO-OPERATION WITH THE
ASIAN AND LATIN AMERICAN DEVELOPING COUNTRIES**

COUNCIL CONCLUSIONS OF 16 MAY 1989 ON THE ASSESSMENT OF FINANCIAL AND TECHNICAL
CO-OPERATION WITH ASIAN AND LATIN AMERICAN DEVELOPING COUNTRIES

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, it 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.
-

COUNCIL CONCLUSIONS OF 21 NOVEMBER 1989 ON THE RECORD AND APPRAISAL OF
COMMUNITY CO-OPERATION WITH THE ALA DEVELOPING COUNTRIES

1. The Council, in accordance with its conclusions of 16 May 1989, has examined the Commission report reviewing Community co-operation with the developing countries of Asia and Latin America from 1976 to 1988, supplemented by a document assessing financial and technical co-operation.
2. Following this examination, the Council is able to share the viewpoint of the Commission that the review is on the whole positive.
3. The Council notes with satisfaction that the Commission, in response to the request put to it in the Council conclusions of 16 May 1989, intends before the end of the year to forward a communication in the light of this examination containing its overall reflections on the future development of all forms of Community aid and co-operation with the developing countries of Asia and Latin America. That communication, with the two documents referred to in the first paragraph as background, will enable the Council to arrive at appropriate guidelines for Community co-operation with those countries in the 1990s.
4. In the light of the abovementioned review and evaluation, the Council considers that special attention should be paid in this overall reflective exercise to the following in particular:

- matching of the objectives and forms of co-operation with the situation and economic development of the various developing countries in Asia and Latin America, but with continued efforts to assist the neediest sections of the population and the poorest developing countries;
- better integration of all Community co-operation instruments, particularly the food-aid instruments;
- strengthened co-ordination of Community aid with aid from the Member States, particularly by developing Community/Member State co-financing, and strengthened co-ordination with other aid donors;
- a higher profile for Community aid which takes account of its specific nature;
- advisability of setting some aid in a medium-term perspective in order to promote dialogue with the authorities of the countries concerned and improve the preparation, implementation and adaptation of projects, with appropriate provisions being laid down for this purpose;
- support for national institutions in the developing countries to boost their capacity to manage development policies and projects;
- increased acknowledgement of environmental considerations in Community development aid;
- importance of the role of women in development and its place in Community projects;
- support for regional integration measures in all sectors where Community support has a positive contribution to make;

- importance of regular evaluation of Community co-operation and incorporation of its findings in programmes.
-

COUNCIL GUIDELINES OF 18 and 19 DECEMBER 1990 AND
4 FEBRUARY 1991 FOR CO-OPERATION WITH THE ASIAN AND
LATIN AMERICAN COUNTRIES

1. The Dublin European Council confirmed the will of the Community to act in a spirit of solidarity and co-operation with respect to those areas which, owing to inadequate levels of development, necessitate an increased level of co-ordinated and multi-faceted intervention by the Community and the Member States.

Co-operation with the ALA developing countries, which began in 1976 and has developed since then, is an expression of that solidarity, taking account of the political and social development of the recipient countries, and is an essential factor in the EEC's presence there.

This co-operation comes within a broader context in which trade between the Community and the developing countries in Asia and Latin America is of major importance for the development of these countries. Greater integration of the developing countries within the multilateral trading system is one of the Community's priority objectives. Liberalization of their trade is above all in the interests of developing countries themselves. The growth of trade will act as one of the main forces for the expansion of their economies and the

Community should therefore seek by every means to ensure increasing access for their products. Efforts should be made to achieve genuine progress in liberalizing trade with the more advanced developing countries and a reduction in the tariff and the non-tariff barriers affecting their exports to the markets of the industrialized countries, account being taken of the proceedings of the relevant international organizations, particularly the GATT:

Accordingly, the GSP, which is a development-orientated trade policy instrument modulated in relation to developing countries, will have to be simplified and made more stable and more transparent. The Community reaffirms the need to step up efforts to see that the less-developed countries in particular benefit more fully from the advantages of the system.

2. The aim of co-operation is centred on the development of the human being, which presupposes observance and promotion of all human rights. Co-operation measures are consistent with this positive view, in which respect for human rights is regarded as fundamental to true development and co-operation itself is seen as a contribution to the promotion of these rights.

Accordingly, development policy and co-operation will take into account respect for and exercise of human rights, fundamental freedoms and democratic principles. Increased Community support should thus be earmarked for the countries most committed to these principles, particularly for positive initiatives by those countries to put them into practice. In those cases where human rights are violated and democratic principles infringed, the Community could amend the implementation of co-operation by confining co-operation to activities of direct benefit to those sectors of the population in need.

Moreover, given the historical links and cultural ties between the ALA developing countries and the Community and its Member States, the Community's co-operation will be designed in such a way as to reinforce the cultural dimension in relations between the two regions.

3. The Community is maintaining a growing dialogue with the developing countries in both Asia and Latin America on political, economic and social problems of common interest (regional conflicts, support for moves towards democracy, human rights issues, peaceful settlement of disputes and development of regional co-operation and integration).

In the context of increasing dialogue with these two regions, the Community will also try to ensure that policies of openness in trade, of stable growth, of including the environment in development issues and of increasing development aid are given priority attention in the international fora in which North-South economic problems are addressed.

4. The Council believes that the time has come to reinforce its commitment to the ALA developing countries, taking account of both consistency with the co-operation policies carried out on behalf of other Community partners and the need to consider the position of each of those partners individually, in particular in the choice of co-operation instruments. With that aim in view, the Council hereby adopts the following guidelines for co-operation with the ALA developing countries:

A. Development aid

The 1976-1988 report, the various evaluation exercises, the ongoing process of European integration and the Community's increased world presence justify

maintaining the Community's programme of development aid to the ALA developing countries, extending it to other countries or sectors, providing increased resources and seeking to tailor the programme more to national and local needs in each region.

1. Eligible countries

In the Council's view, aid should continue to be targeted as a priority at the poorest strata of society and the poorest countries in both regions, without excluding the specific cases mentioned below.

Conditions governing eligibility need to take account of a variety of circumstances and remain flexible to a certain degree.

In the case of the relatively more advanced ALA developing countries, the Council considers that - without prejudice to the general priority mentioned above - development aid additional to economic co-operation should be maintained or considered but limited to specific cases.

Such aid would involve:

- helping to prevent natural disasters or assisting with reconstruction efforts in the wake of such disasters;
- taking part in co-operative environmental projects;
- helping to strengthen institutions, and
- using pilot projects to help to develop new policies to assist particularly underprivileged strata of society.

Finally, there are regional co-operation and integration schemes which, by their nature, can involve a partnership between poor and relatively advanced countries; such schemes will receive special attention from the Community.

Recent experience has shown that Community co-operation schemes might well be applied in such fields as intra-regional trade, the environment, communications, research, training and the strengthening of certain institutions.

2. Areas of action

In this connection, the Council believes that Community action in Asia and Latin America should concentrate on seven major areas:

(i) Support for the rural sector in the broad sense

This sector will remain a major field of action for the simple reason that most of the population of the ALA developing countries live and work in the countryside, they belong to the most underprivileged strata of society and the Community has a good deal of experience in rural matters (farming, fishing, stock-breeding, rural loan schemes, rural infrastructure, research, training, etc.). Improving the security of food supplies will remain a matter of the utmost importance: in this connection, integrating food aid in other development instruments could contribute towards fulfilling the role and specific objectives of this form of aid and will constitute a major element. Community support for the rural sector must henceforth also cover aid schemes for the small towns which provide services to the rural population, to promote employment.

(ii) The environment

Protection of the environment and natural resources and sustainable development are long-term priorities. Community development aid must

give fresh priority to the environment in two ways: (a) account must be taken of the environmental impact of schemes financed by the Community so that the environmental aspects of any project are taken into consideration from the outset, preference is given to projects which have an environmental dimension and, where significant environmental repercussions are to be expected, an environmental impact assessment is carried out; (b) adequate funds must be set aside for these priorities.

In this context, it is very important to solve certain local problems (deterioration of the urban environment, over-exploitation of natural resources, increased air and water pollution, industrial hazards, etc.). However, other world-wide issues such as global warming, the preservation of tropical rainforests and the protection of the ozone layer must also be addressed in the context of environmental co-operation between the Community and the ALA developing countries, in accordance with the conclusions of the Development Council of 29 May and the Dublin European Council on 25 and 26 June 1990.

In particular, the European Council agreed to ask the Commission to analyse and prepare proposals for an appropriate Community programme to combat threats to the tropical rainforests, in consultation with the countries concerned, in particular Brazil. It also agreed that the Community would consult other multilateral and bilateral donors on concerted action in this area.

The Community will have to initiate a dialogue with the ALA developing countries (at national, regional and international level) on environmental policy and on the strategies and means of putting it into effect.

(iii) The fight against drugs

Particular attention will be given to the fight against drugs. Community co-operation with the ALA developing countries in the fight against drugs will be extended within the framework of the overall approach defined by the Council on 26 January 1987 and in the light of the conclusions of the Strasbourg and Dublin European Councils.

Community co-operation with the ALA developing countries in the fight against drugs will be stepped up on the basis of a dialogue within the more general context of the economic development of the producer countries and their co-operation with the European Community. This co-operation will consist of action covering humanitarian aid as well as development aid.

(iv) The human dimension of development

Rapid population growth represents a major threat to economic and social development in several countries, since it can run counter to the benefits of the most successful development schemes. High population growth rates exacerbate pressure on already inadequate health, education and social services, making it more difficult to create productive employment opportunities and to raise living standards. Therefore, in accordance with international lines of approach, special attention will be paid to support for health services regarding the problems of mothers and children and extension of this to family planning wherever the country so wishes. In this context, the situation of young people will be given particular consideration in co-operation with the ALA developing countries.

With regard to the role of women in development - a subject which is of particular importance in the context of rural development and among the poorest groups - the Council points to its conclusions of 29 May 1990 and confirms that Community policy in this area consists in taking appropriate account of the role of women in all Community policies concerned with development.

Aboriginal ethnic groups must continue to receive special attention in all the ALA developing countries with a view to both integration and respect for specific cultural characteristics in order to prevent the situation from worsening.

Very rapid urban development is already a very serious problem in most developing countries in Asia and Latin America, where the cities act as a permanent magnet and are on the brink of a growth explosion.

A number of schemes might usefully be considered in fields relating to the urban sector:

- the transfer of know-how for dealing with urban problems (in particular urban transport policy, waste management, public service charging, local administration, entry of young people into working life, habitat and health);
- the development of micro-enterprises and access for would-be entrepreneurs to savings and investment schemes (grants to the bodies concerned and help in establishing suitable policies).

(v) The structural dimension of development

The Council considers that Community aid for development projects and programmes must take into consideration macro-economic and sectoral problems and give priority to schemes which have a bearing on the economic structure and the development of sectoral policies and of institutions.

The Council considers in particular that helping the developing countries' national institutions to improve their capacity for managing development policies and projects can sometimes be of strategic importance in the development process. Keeping up an appropriate dialogue between the ALA developing countries and the Community is an important factor in this context.

(vi) Regional co-operation

Regional co-operation between developing countries has, from the outset, been a priority field of application for Community aid, particularly since the Community has considerable experience in this area.

In view of the increasing use made of regional co-operation by the ALA developing countries, the Council considers that it should remain a priority and that action should be stepped up in at least six

areas: (a) regional co-operation on the environment; (b) the development of intra-regional trade wherever possible; (c) support for regional institutions and integration and for the implementation of common policies and activities; (d) regional communications: standards, networks and services; (e) research; (f) training.

(vii) Natural disasters

In addition to immediate assistance schemes provided for elsewhere, aid for the prevention of natural disasters and for reconstruction in their wake will be maintained and a suitable ceiling will be set, although it will be reached only at a time of need.

B. Economic co-operation

In order to respond as effectively as possible to the needs of the countries of Asia and Latin America, a greater proportion of the Community's co-operation with these countries must consist of economic co-operation.

1. The objectives of economic co-operation

Economic co-operation was devised to serve the mutual interests of the Community and its partner countries. Its purpose is to strengthen the institutional capacity of the partner countries so as to make their economic environment more favourable to investment and development. However, it also aims to facilitate the transfer, under market conditions, of resources (capital, technology, know-how, marketing networks and managerial and organizational capacity) from European economic operators to local operators.

The prime responsibility for encouraging European investment lies with the ALA developing countries themselves. Foreign investment is attracted primarily by the climate of confidence in a country - political stability,

democracy, an open economy, clear rules on investment, investment protection, efficient administration, etc.

Economic co-operation should also aim to provide closer contacts between operators in the North and South. Maximum participation by operators from all Member States is to be encouraged.

2. Areas of action

Economic co-operation schemes should, as in the past, cover training, and co-operation in the fields of trade, industry, energy, science and technology. Furthermore, a package of schemes to encourage business development must be introduced, in line with the needs expressed. In this context, the Council considers that Community action should concentrate on three major areas.

2.1. Economic, scientific and energy sector know-how

Upstream, the Community should help set up pools of knowledge, information and know-how, in particular by:

- strengthening the scientific and technological potential of our partner developing countries;
- dialogue in the field of energy planning, together with an appropriate dissemination of technology.

2.2. The economic environment

The Community must step up its dialogue on certain economic policies with selected partner countries, by means of high-level technical assistance and suitable information and training programmes. This should help to

identify policies which would encourage private investment, openness to international trade or the mobilization of savings, for example.

2.3. Schemes relating to firms

The Community will increase its involvement in schemes aimed at improving the competitiveness of firms, particularly using technical and management training programmes, technological exchanges and investment promotion projects (search for partners, market studies, targeted training schemes).

In particular, mutually beneficial investment in the ALA developing countries will continue to be encouraged and specific measures in this connection will be studied, without prejudice to future decisions regarding International Investment Partners and, in particular, the necessary legal basis for the instrument in question which are to be taken on the basis of Commission proposals.

Lastly, special attention will be given to initiatives to improve market access. The Community will encourage integration between regional markets and back up trade promotion schemes aimed at helping the ALA developing countries identify potential export markets. Such schemes will be supplemented by suitable technical assistance.

3. Instruments and beneficiaries of economic co-operation

Economic co-operation (and especially industrial co-operation) must be implemented as far as possible by economic operators and their intermediaries (chambers of commerce, trade associations). By making

use, where possible, of certain Community instruments, the Community will try to help set up suitable contacts between intermediaries and firms, examining the need to create "industrial co-operation support networks" at Community level. Among the beneficiaries of economic co-operation (undertakings, official bodies, training and research institutes, etc.) special attention will be paid to SMUs.

4. Information

Relations between the Community and the ALA developing countries must in all fields be supported by appropriate information campaigns. This need must be taken into account when any new agreement is being negotiated.

In the same vein, the Community is prepared to step up its information drive concerning completion of the 1993 Single Market.

C. Resources and framework for co-operation

1. Financial resources

The Council considers that the financial resources to be allocated on a multiannual basis to co-operation with the ALA developing countries should be substantially increased in the light of new priorities and areas of involvement and that they should be programmed under medium-term forecasts.

The Council agrees to the Commission's estimate for 1991/1992 of ECU 1,008 thousand million as the amount considered necessary for measures to be financed under Chapter 93.

The Council is aware that the ALA developing countries will have to be granted the same priority under the budget for 1993-1995 as they were for 1991-1992; it notes that overall financial requirements for five years could total ECU 2,750 thousand million, of which 10% would be allocated to the environment and, in particular, to the protection of the tropical forest, with ECU 1,742 thousand million being earmarked for 1993-1995. Figures beyond 1992 would be subject to such limits as might be set under any extension of the "Interinstitutional Agreement on budgetary discipline and improvement of the budgetary procedure".

2. Management resources

The Council stresses the importance of effective aid management. Co-financing, concerted action with international organizations and co-ordination with bilateral aid from Member States are all possibilities which will contribute to enhancing its effectiveness.

3. The general framework for aid

3.1. Specific nature of Community aid

The annual guidelines laid down by the Council after receiving the Opinion of the European Parliament have served to clarify the principles and the framework for granting aid as laid down in the Regulation and confirmed by experience.

At this stage, those principles and practices should be reviewed and, where appropriate, redefined by reinforcing the specific nature of Community aid in the context of a closer dialogue with the Member States, other international donors and the recipient countries, especially on the selection of measures in the various sectors.

All instruments of Community co-operation will be made more effective so as to achieve maximum synergy. An overall view of the implementation of Community schemes will be sought.

Co-ordination is one way of increasing the efficiency of the other types of aid. In this context, co-ordination, especially on the spot, and co-financing (in particular with bilateral aid from the Member States), which is the closest possible form of co-ordination, as well as an overall evaluation, involving the Member States, of all Community projects, will receive particular attention.

3.2. Regulatory aspects

The current regulatory basis will have to be amended and supplemented as soon as possible to take the new guidelines into account.

3.3. Form of financial transfers

Community aid will, as a general rule, take the form of grants.

4. Implementing procedures

4.1. Recipients

The range of potential recipients of Community aid within the framework of the objectives laid down should remain as wide as possible so as to include not only States or regions but local and traditional communities, institutes and private operators as well as NGOs.

4.2. Quicker payments and greater cost-effectiveness

The Community will continue to review its own procedures and suggest to the recipient countries more effective ways of implementing projects. Care will have to be taken that appropriations are used as quickly as possible while maintaining the quality of Community schemes.

4.3. Evaluation

Regular evaluation of development aid and economic co-operation, both during and after the implementation of projects, enables means and objectives to be adapted to changing realities, account being taken of the lessons of the past. All Community schemes are already subject to evaluation while they are in progress and this will be maintained and

standardized, while retrospective evaluation will be extended, more systematically structured and its results brought to the attention of the Member States and the Commission.

European Communities — Council

Compilation of texts adopted by the Council (Ministers for Development Cooperation). 1 January 1989 to 31 December 1991

Luxembourg : Office for Official Publications of the European Communities

1992 — 131 pp. — 14,8 × 21,0 cm

ISBN 92-824-0977-5

Price (excluding VAT) in Luxembourg : ECU 6.50