

# THE COMMUNITY AND THE THIRD WORLD



Europe  
on the move



*'Development policy is a cornerstone of European integration.*

*Today it is a manifestation of Europe's identity in the world at large and a major plank in the Community's external policies generally.'*

*(Memorandum on Community development policy)*

*'We must increasingly open our markets to countries which have a vital need to export rather than increase their indebtedness. We must establish financial instruments to help adapt and modernize their economies.'*

*Jacques Delors,  
President of the  
Commission*

Not many people now remember that the Community's development cooperation policy came into being at the same time as the Community itself!

The first European Development Fund was established in 1958, when the process of decolonization was not yet over. At the time it covered only 18 African countries and Madagascar which, following their independence, signed the first and then the second Yaoundé Conventions. That was the start of it all.

Thirty-five years later the Community and its cooperation policy have grown in stature and scope. In 1993 there are few developing countries which have not established special ties with the Community and even fewer which do not receive some form of Community aid.

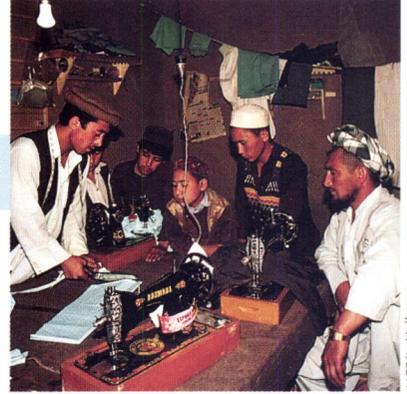
*Learning tailoring and dressmaking skills in an Afghan refugee village in Pakistan. Support for training is one aspect of the longer-term aid to refugees to which the Community devotes over ECU 100 million every year.*

## FROM AFRICA TO THE PACIFIC

After the Yaoundé agreements came the four Lomé Conventions, named after the Togolese capital where they were signed in 1975, 1979, 1984 and 1989. These Conventions represent the most far-reaching and lasting North-South cooperation agreement ever signed, under which the 12 Member States of the Community have as their partners 69 **African, Caribbean and Pacific** countries.

In the **Mediterranean** region the first agreements, signed in the 1960s, were fairly limited in scope but from 1975 onwards agreements covering all aspects of cooperation were concluded with each of the southern Mediterranean countries — Morocco, Algeria, Tunisia, Egypt, Jordan, Syria, Lebanon.

In the 1980s the network of agreements was extended to **Asia** and **Latin America**. Some of these are bilateral, others regional: an approach which is highly favoured by the Community (for example with the ASEAN countries, the countries of the Andean Pact and of Central America).



HCKVA - Hoffmann

Obviously these agreements are not all the same. The Lomé Convention, for example, is far more varied and complete than a framework cooperation agreement of the type concluded with, say Brazil. The Community has, none the less, effectively established a policy based on contractual partnership covering the majority of the Third World, striving each year to extend and improve this policy.

*Emergency aid to Somalian refugees. In 1992 the Community spent almost ECU 370 million on emergency aid to the victims of natural disasters or armed conflict and supplied some 2 million tonnes of food to the countries suffering most acutely from famine.*

## REFUGEES

There are 18 million refugees, 8 million of whom are in Asia and 5 million in Africa. The Community steps in everywhere to provide emergency aid, food aid and development support. It is a partner of prime importance for the Office of the United Nations High Commissioner for Refugees and for many non-governmental organizations.



G. Perrot

## EUROPEAN SOLIDARITY

The Community has tried to establish a cooperation policy with its partners geared to their long-term development. But it can also intervene in emergencies and bring help throughout the world to the victims of all types of disasters (droughts, famines, natural disasters, conflicts, civil wars).

It has a special budget for emergency aid and large amounts of food aid at its disposal. It is not widely realized that in many cases it is the Community that steps in first in an emergency. It is also in charge of coordinating Member States' operations. The Community provides a significant proportion of the resources of many humanitarian organizations.

1992 saw the establishment of the Office for Emergency Humanitarian Aid of the European Community and in this year alone the Community was active in over 30 Third World countries, from Peru to Salvador, from Somalia to Mozambique and from Afghanistan to the Philippines. But it also played a role in several Republics of the former Soviet Union and, above all, in former Yugoslavia, where it provided 38% of the financial contributions to the world's total humanitarian aid effort. Community emergency aid in 1992 totalled almost ECU 370 million,<sup>1</sup> not counting medium-term aid of just over ECU 100 million to refugees and displaced persons and around ECU 800 million of food aid, which went principally to the victims of natural disasters and armed conflict.



H. Ferraton

*Support for animal husbandry in Senegal: it is Community policy to give priority to rural development; this accounts for almost half of the aid programmes financed.*

## DEVELOPING RURAL AREAS: A PRIORITY

When asked what should be done first to help the Third World, Europeans reply that the main priority is to combat hunger by promoting rural development. This is indeed the priority area of the Community's development cooperation policy since, clearly, Europe does not confine itself to short-term humanitarian operations. Most of its funding is allocated to projects or programmes designed to strengthen its partners' economies, make them less dependent and bring about lasting improvements to people's living standards.

<sup>1</sup> ECU 1 = around UKL/IRL 0.80.

*'Industrialization — the complement of rural development — must be seen as a driving force in promoting economic change designed to ensure self-sustaining growth and meet people's basic needs.'*

*Manuel Marín,  
Member  
of the Commission*

These operations vary quite widely — they cover industrial production, transport, education, health and trade. But agricultural and rural development alone accounts for almost 50% of funding, 24% of which is earmarked for agricultural production as such — much more than other donors allocate (on average 11%).

The successive Lomé Conventions have given increasing emphasis to rural development. In practical terms this means that an ever-growing proportion of aid (60 to 90% of programmable funds) is targeted on this sector in most of the African, Caribbean and Pacific countries. Community aid programmes in Latin America and Asia are less varied as they basically consist of regional cooperation programmes; rural development projects, however, account for 80% of the total.

The same priority is found in the Mahgreb and Mashreq Mediterranean countries such as Jordan, Tunisia, Egypt and Morocco.

*Water supply for a  
village in southern  
Africa.*



## LISTENING TO OUR PARTNERS

**Dialogue:** The Community does not set out to define its partners' needs, priorities or operating methods. The relations and the form of cooperation that it has established with them are based on negotiation when concluding agreements and on dialogue when it comes to carrying out operations. Joint institutions have been set up to this end under the Lomé Conventions and for the Mediterranean and other agreements.

This ongoing dialogue, besides enabling priorities to be set by mutual agreement, has also made it possible for cooperation to evolve, to tackle new areas such as the environment, population, and culture and to establish new instruments, ranging from Stabex (stabilization of export earnings) to structural adjustment support measures or systems for promoting private enterprise.

**Experiment:** This, therefore, involves continual experimentation, a constant process of adapting to the results achieved and the difficulties encountered, and also to political, economic and social changes. The Community's development policy is not therefore — and never will be — 'complete'. It will undergo further changes — not least the changes arising from an increasing transfer of Member States' cooperation policies to the Community level as a result of the Single Act.

## A WIDE RANGE OF INSTRUMENTS

Some instruments were established by cooperation agreements, others by decision of the Community itself.

- Promotion of the developing countries' trade: Community's system of generalized preferences, the trade provisions of agreements, trade promotion activities.
- Emergency aid (all developing countries and other non-member countries).
- Food aid (outside the developing world) to cope with emergency situations of food shortages.
- Development finance:

European Development Fund (ACP countries): financing of projects or programmes;

financial protocols annexed to the agreements with the Mediterranean countries;

European Investment Bank: loans to the ACP and Mediterranean countries;

financial aid to the countries of Latin America and Asia (rural development, regional integration and training);

support for joint ventures between European firms and firms from Latin America, Asia and the Mediterranean countries.



- Support for non-governmental organizations.
- Research and development programme (agriculture, health).
- Special budgets for specific operations: environment, drug abuse control, AIDS, etc.

*Preparing the ground for saplings to be planted in Ethiopia: reforestation is an important aspect of rural development and environmental protection.*



*Home for abandoned children in Madagascar. The Community works with the main organizations which help refugees and the homeless.*

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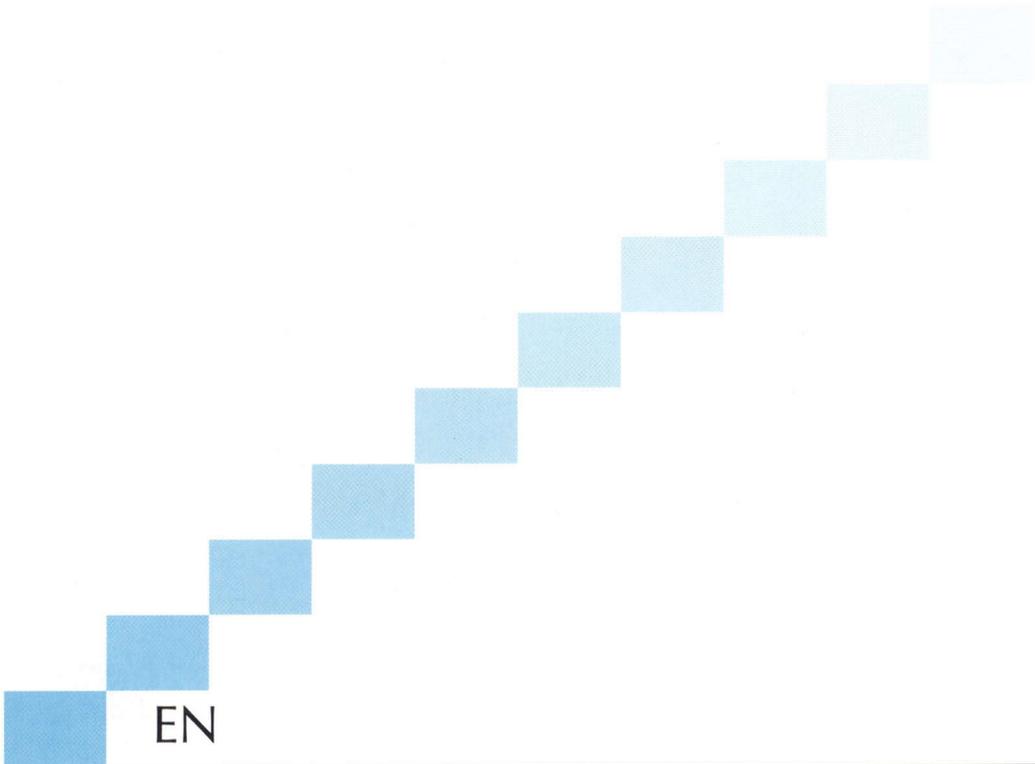
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This booklet appears in all the official Community languages — Danish, Dutch, English, French, German, Greek, Italian, Portuguese and Spanish.

**Commission of the European Communities**

Directorate-General for Audiovisual, Information, Communication and Culture

Editor: 'Publications' and 'Europe in the world: developing countries' Units

200 rue de la Loi, B-1049 Brussels

Manuscript completed in April 1993

Cover photo: J. M. Russel

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*Printed in Belgium*

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Countries fully or partly English speaking. Offices also exist in other countries including all Member States.



Office for Official Publications  
of the European Communities  
L-2985 Luxembourg

ISSN 0379-3133

Catalogue number: CC-78-93-540-EN-C