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Working Documents

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DOCUMENT 1-1005/83

REPORT

drawn up on behalf of the Committee on
Development and Cooperation

on the proposal from the Commission of the
European Communities to the Council
(Doc. 1-820/83 - COM(83) 534 final) for a
decision determining the general guidelines
for 1984 concerning financial and technical
aid to non-associated countries

Rapporteur: Mr C. JACKSON

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By letter of 6 October 1983, the President of the Council of the European Community requested the European Parliament to deliver an opinion on the proposal from the Commission of the European Communities to the Council for a decision determining the general guidelines for 1984 concerning financial and technical aid to non-associated developing countries.

On 10 October 1983, the President of the European Parliament referred this proposal to the Committee on Development and Cooperation as the committee responsible and to the Committee on Budgets and the Committee on Budgetary Control for opinions.

At its meeting of 29 September 1983, the Committee on Development and Cooperation appointed Mr C. Jackson rapporteur.

The committee considered the Commission's proposal and the draft report at its meetings of 19 October and 4 November 1983.

At the last meeting, the committee decided unanimously to recommend to Parliament that it approve the Commission's proposal without amendment.

The committee then adopted the motion for a resolution as a whole unanimously.

With Mr BERSANI acting chairman in the chair, the following took part in the vote : Mrs FOCKE, vice-chairman, Mr C. JACKSON, rapporteur, Mr COHEN, Mr DESCHAMPS (deputizing for Mr VERGEER), Mr ENRIGHT, Mr G. FUCHS, Mr IRMER, Mr FELLERMAIER, Mr JOHNSON (deputizing for Mr de COURCY LING), Mr LEZZI, Mr PEARCE, Mrs RABBETHGE and Mr WEDEKIND.

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The opinion of the Committee on Budgetary Control is attached.

The opinion of the Committee on Budgets will be published separately.

The explanatory statement will be presented orally.

This report was tabled on 7 November 1983.

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The Committee on Development and Cooperation hereby submits to the European Parliament the following motion for a resolution.

MOTION FOR A RESOLUTION

closing the procedure for consultation of the European Parliament on the proposal from the Commission of the European Communities to the Council for a Decision determining the general guidelines for 1984 concerning financial and technical aid to non-associated developing countries

The European Parliament,

- having regard to the proposal from the Commission of the European Communities to the Council (COM(83) 534 final)¹,
 - having been consulted by the Council pursuant to Council Regulation (EEC) No. 442/81 Doc-1-820/83)²
 - having regard to the report of the Committee on Development and Cooperation and the opinions of the Committee on Budgetary Control and the Committee on Budgets, (Doc. 1-1005/83),
 - having regard to the result of the vote on the Commission's proposal,
- A. having regard to Council Regulation (EEC) No. 442/81² on financial and technical aid to non-associated developing countries,
- B. having regard to the sixth report from the Commission of the European Communities to the Council on the implementation of the programme of financial and technical assistance to non-associated developing countries (COM(83) 535 final),
- C. having regard to its previous resolutions³
- D. having regard to the Memorandum of the Commission of the European Communities on the Community's development policy⁴
- E. having regard to its resolution on the European Community's policy towards developing countries (the Memorandum of the Commission of the European Communities on the European Community's Development Policy)⁵

¹ OJ No. C261, 30.9.1983, p. 8

² OJ No. L 48, 21.2.1981

³ OJ No. C157, 14.7.1975, p. 30 ; Harzschel report Doc. 133/75,
OJ No. C118, 16.5.1977, p. 60 ; Nolan report Doc. 34/77, OJ No. C11, 18.1.1982,
p. 195 ; Caretoni-Romagnoli report, Doc. 1-963/82

⁴ COM (82) 640 final

⁵ OJ No. C 242, 12.9.1983, p. 104, C. Jackson report, Doc. 1-475/83

1. Notes with approval that as in previous years, the proposed guidelines for 1984 provide that aid shall be directed as a general rule towards the poorest developing countries, while ensuring a Community presence in the major regions of the developing world, towards improving the living conditions of the most needy sections of the population of the countries concerned and towards rural development and food production ;
2. Recalls its demand that in view of the extent of absolute poverty in those parts of the developing world not covered by the ACP-EEC Convention, the Community should develop existing or new mechanisms to take account of the special needs of the poorest countries ;
3. Is strongly opposed to the severe cuts proposed by the Council in the 1984 draft budget and urges the Council in view of the special importance of the programme of aid to non-associated developing countries to support the amendment adopted by the European Parliament in the first reading of the budget;
4. Stresses the importance it attaches to 'aid to policies' as a means of enhancing the effectiveness of aid and requests that the programme should be orientated increasingly towards projects within the framework of general programmes rather than to individual ad hoc projects; asks that an assessment of this point should be included in the report on the 1983 programme;
5. Proposes, in order to give greater weight to the problem of the lack of skilled human resources which is a key blockage to development in the poorest developing countries, that in the 1984 programme a significant proportion of funds should be set aside within each project to provide assisted training within the developing countries or the European Community as appropriate ;
6. Suggests that it would be appropriate that the whole programme be reexamined every five years and asks that the general guidelines given in the 1981 Council Regulation be reviewed for 1985 .
7. Reiterates its belief that the European Community should give aid to demographic policies where actually requested by the populations involved as a way of reinforcing the effectiveness of development aid and contributing to human welfare;

8. Notes with concern that the value of this programme to developing countries is significantly weakened by the unsatisfactory rate of utilization of funds; finds it quite unacceptable that this rate is all too often totally inadequate and that in 1982 it was only 37% for payment appropriations; demands that the Commission provide the explanations which Parliament asked for some time ago on the reasons for this situation and that it finally take decisive measures to correct a state of affairs which Parliament has criticized repeatedly;
9. Stresses that effective implementation of the programme can be facilitated by :
 - (a) providing more technical assistance for the preparation - notably in helping to formulate food strategies - and implementation of projects and programmes, particularly in those countries where the administrative structure is weak ;
 - (b) increasing the number of Commission development officers in non-associated developing countries, in order to provide better regional cover for development projects;
 - (c) making more staff available to DG VIII to administer the programme; demands in that connection that all possibilities of transfers within the Commission's services be actively examined;
 - (d) increasing the number of administrative framework agreements with different developing countries;
10. Stresses again the importance of an ex-post assessment of the various projects and of the effectiveness of aid, inter alia as a means of improving the monitoring of the general value of the programme as a whole;
11. Reiterates its belief in the value of co-financing both with sources outside the Community and with the Member States;
12. Stresses that regional actions should be promoted whenever possible;
13. Reiterates its condemnation of the decision procedure provided for in the Council Regulation whereby a committee composed of representatives of the Member States is empowered to decide on each project to be assisted under this programme, and maintains that such provision is detrimental to the powers of the Commission and the European Parliament and causes delay in the programme implementation;

14. Denounces the Commission's failure to follow up the European Parliament's specific request that a special fund be set up to provide aid for the diversification of agricultural production in the countries of South-East Asia which export manioc; notes that as a result the Community is forced to use some of the appropriations earmarked for the non-associated developing countries to support this project, although the main beneficiaries of these appropriations should be the least developed countries;
15. Approves, subject to the above comments, the general guidelines for 1984 concerning financial and technical aid to non-associated developing countries as proposed by the Commission;
16. Instructs its President to forward to the Council and Commission, as Parliament's opinion, the Commission's proposals as voted by Parliament and the corresponding resolution.

OPINION OF THE COMMITTEE ON BUDGETARY CONTROL

Letter from the chairman of the committee to Mr Michel PONIATOWSKI,
chairman of the Committee on Development and Cooperation

Subject: Opinion of the Committee on Budgetary Control on the proposal
from the Commission of the European Communities to the Council
for a decision determining the general guidelines for 1984
concerning financial and technical aid to non-associated countries
(Doc. 1-820/83)

Dear Mr Poniatoski,

The Committee on Budgetary Control considered the above-mentioned proposal
for a decision at its meeting of 3/4 November 1983.

The committee approves the general criteria for the geographical distribution
of aid proposed by the Commission and the priority it gives to agriculture and
food production. However, it also makes the following comments:

- It notes that in the preliminary draft budget for 1984, the Commission
entered 323.5 m ECU in commitment appropriations and 196.1 m ECU in payment
appropriations for the projects in question and that the rate of utilization
of the relevant appropriations in Chapter 93 of the budget for the 1982
financial year was 52% for commitment appropriations and 37% for payment
appropriations;
- the committee therefore feels that a solution to the procedural difficulties
in implementing these projects is still a very distant prospect;
- the committee stresses the need for a multiannual programme to cover this
aid, a proposal which has also been made by the Commission in its analysis
of the financial management for 1982 (COM(83) 223 final);
- it regrets the fact that the Community's efforts to provide financial aid
for non-associated developing countries are being called into question as
a result of unsatisfactory implementation;
- the committee calls on the Commission to give immediate consideration to the

measures needed to accelerate the implementation of this aid and, where appropriate, to submit proposals amending the basic regulation.

Yours sincerely,

(sgd) Heinrich AIGNER

The committee adopted this opinion unanimously. The following were present during the vote: Mr AIGNER, chairman; Mr TREACY, Mrs BOSERUP and Mr PRICE, vice-chairmen; Mr GABERT, Mr IRMER, Mr JÜRGENS, Mr KEY, Mr MART, Mr PATTERSON, Mr RYAN, Mr SABY and Mr Konrad SCHÖN.