

Committee on Development
The Chair

315234 01.10.2014

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Jerzy BUZEK
Chair
Conference of Committee Chairs

Dear Mr Buzek,

In accordance with Rule 118 of the Rules of Procedure of the European Parliament, the Committee on Development held a public hearing on Monday 29 September 2014 with Commissioner-designate Neven Mimica who, subject to the positive outcome of the nomination procedure, will be responsible for international cooperation and development.

Prior to the hearing, Parliament had sent the Commissioner-designate a list of written questions. My committee noted that Mr Mimica answered those questions satisfactorily.

In his opening statement Mr Mimica outlined three of his priorities: an ambitious post-2015 framework to eradicate poverty through inclusive sustainability; to launch and negotiate a post-Cotonou framework and to strengthen the Union's strategic partnership with Africa; and to significantly enhance Policy Coherence for Development (PCD).

Members then asked questions on the following subjects in particular:

- the future Sustainable Development Goals (SDGs) and the need to reach agreement on a limited number of goals, forge a coalition in the negotiation process and involve Parliament, as well as to ensure that democratic governance and human rights feature more prominently in the SDGs; coherent links and coordination between climate, energy and SDGs in the Commission;
- the Ebola crisis in the context of weak health systems in developing countries and the possibility of launching a programme for action on public health in Sub-Saharan Africa;
- development policy as a shared competence and the principle of subsidiarity;
- financing of aid for developing countries to cope with climate change and in particular its additionality, so that funding for poverty eradication is not reduced;
- consistency of EU policies/PCD;
- more binding rules on Corporate Social Responsibility, and more broadly the role of the private sector in international development;
- blending of grants and loans and increased transparency and parliamentary scrutiny in this regard;

- bilateral trade agreements and investments in land and the need to safeguard land rights, and financing for support to land governance;
- how trade can contribute to PCD; Economic Partnership Agreements (EPAs); TTIP's potential impact on developing countries; Aid for Trade; the need to open up European agricultural markets;
- cooperation with the High Representative of the Union for Foreign Affairs and Security Policy/Vice President of the Commission (HR/VP) and coherence of external action, in particular in view of crisis situations, and the question of who will represent the EU in international fora on development, and ensure a stronger voice for Europe;
- shortages in payment appropriations and cuts in funding and how to deal with the negative effects and how to compensate them; new and additional forms of development finance, including a Financial Transaction Tax;
- domestic resources of developing countries, tax avoidance and evasion, as well as illicit flows, misuse of aid and the fight against corruption; monitoring and transparency of aid and other financial flows from and to developing countries;
- cooperation and coordination with other major donors, in particular the US;
- conditionality in relation to good governance and human rights;
- the benchmark of minimum 20% of funding under the Development Cooperation Instrument (DCI) for basic social services and secondary education;
- migration and the possibility for development policy to address its root causes;
- conflict minerals and whether a more robust regulatory framework is required with a stronger development focus;
- security and status of aid workers;
- post-Cotonou agreement, future partnership with ACP countries and EP involvement in preparations thereof; enhancement of human rights clause in this context;
- the role of culture in development;
- urban agenda, cities and involvement of local and regional authorities;
- financing for Overseas Countries and Territories (OCTs).

During the debate, Mr Mimica made specific commitments regarding his future Commission portfolio. He said that he would:

- engage in direct and regular dialogue with the Committee on Development and seek to ensure financing for poverty eradication together with the Committee;
- reflect, with the Committee, on how to address labour standards and child labour in the garment industry in developing countries;
- bring forward actions that will help protect the rights of small land holders and users, in particular in view of 'land grabs';
- monitor TTIP and its potential effects on developing countries and development policy as an active member of a TTIP Task Force within the Commission College;
- ensure that sexual and reproductive health and rights will continue to be an important part of European development assistance;
- make donor coordination a priority - in addition to post-2015, post-Cotonou and PCD already set out in his opening speech;
- push for a renewed commitment to the 0.7% of GNI for ODA goal;
- address both the short-term and long-term budget issues facing development and ensure budget shortfalls are properly addressed in the mid-term review of the MFF;

- strengthen political consensus on conditionality of aid and make use of Article 8 - and where needed Article 96 - of the Cotonou Agreement and work with civil society to deliver aid in these cases;
- ensure the 20% benchmark for basic social services and secondary education is upheld in DCI programming and implementation;
- be a political Commissioner and contribute to debates in the College;
- improve parliamentary scrutiny of blending facilities;
- integrate tax and public finance management issues into policy dialogues with partner countries;
- ensure that development aid is 'not used to build walls against migration' or to prevent illegal flows but to reduce factors triggering people to emigrate from developing countries;
- build more development aspects into EPAs;
- ensure a broad consultation on a post-Cotonou partnership with ACP countries and the partnership with OCTs, involving the DEVE committee in formal and informal ways, including addressing financing questions;
- support setting up a public register to combat money laundering;
- promote a human rights-based approach and further focus and mainstream human rights and governance issues in EU aid programmes.

Before the end of the hearing, the Commissioner-designate made a brief closing statement in which he reaffirmed his commitment to better fight poverty by integrating economic, social and environmental dimensions into new partnerships with developing countries, to renew the commitment to the partnership with ACP countries and to extend Europe's solidarity to help master globalisation and to cooperate closely with Parliament if confirmed.

On the basis of the responses given to the Members present at the hearing, as well as the assessment made by the Coordinators of the Committee on Development who met after the hearing under my chairmanship, I hereby give the following assessment:

Mr Neven Mimica, both in his written replies and in the hearing, showed his commitment to contribute independently towards the objectives of EU development policy laid down in the treaties, namely to eradicate poverty. The committee recognises his integrity and the professional aptitude and experience which he could bring to the College of Commissioners.

Mr Mimica also showed an understanding of the legal and political necessities, key issues and challenges of his portfolio and his readiness to push ahead development policy objectives internationally and in cooperation with other Commissioners and the HR/VP.

Mr Mimica gave an undertaking to the Committee to seek regular and enhanced dialogue and involve the Committee on Development in the preparation and implementation of key decisions. In this respect, our Committee looks forward to a regular strategic dialogue with Mr Mimica on key issues where some Members felt his answers required further dialogue:

- the post-2015 Sustainable Development Goals,
- Financing for Development
- the role of the private sector in development policy and programmes.

Other important issues on which a regular dialogue will be needed include trade and development, climate finance and the proposed legislation on conflict minerals.

The committee noted Mr Mimica's pledge to improve the transparency of development aid in general and in relation to blending of grants and loans in particular.

Our Committee broadly shares the priorities which Mr Mimica outlined during the hearing: an ambitious post-2015 framework for sustainable development and poverty eradication; commitment to a partnership with ACP countries beyond 2020 and thorough preparation, starting from 2015, of a successor to the Cotonou Agreement, working towards greater PCD (particularly by forward-looking monitoring of initiatives, and developments and impacts stemming from other relevant EU policies) and, last but not least, improving the coordination of European development assistance with other important donors.

However some Members felt that more specific answers, political vision and commitments could have been forthcoming during the hearing on:

- the principle of subsidiarity and the added value of EU action in development cooperation;
- robust regulation of CSR;
- development aspects of trade and agricultural portfolios;
- land governance and agricultural development;
- property rights and the extent of the role for the private sector in development.

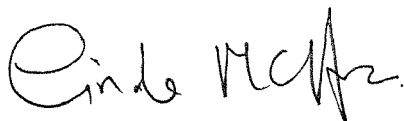
Members could see that Mr Mimica showed that he will be a team player within the Commission, but they also want to be sure that he will be a political Commissioner who will push for development issues in the College and be able to convince his colleagues. The Coordinators regretted that no clear statement was forthcoming on the need to mainstream gender issues into development cooperation and wanted to see a clear commitment in this regard.

Overall, the Committee believes that he will be a loyal partner with whom Parliament can jointly develop a vision for development policies beyond 2015.

The general outcome of this hearing is that the Commissioner-designate gave a convincing impression of his aptitude to be a member of the College of Commissioners and to carry out the specific tasks assigned to him.

This represents the opinion of a clear majority of the Members who attended the hearing.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Linda McAvan', written in a cursive style.

Linda McAvan