Global Europe? The new EU external action instrument and the European Parliament

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ABSTRACT
This article investigates the involvement of the European Parliament (EP) in the preparations of the new EU external action financing instrument (2018–2021). From an explorative perspective, we analyse how the EP contributed to the changes in EU development policy discourse that prepared this fundamental reform, and to the reform itself by promoting its priorities and preferences during the negotiations. We propose three potential research directions on the EP's role in European development policy and the changing function of this field within external policies. The analysis of the negotiation process describes how the EP used its co-legislative role to introduce changes to its other two development policy roles: budgetary control and supervision. The complex nature of the new instrument and the perspectives of the co-legislators create uncertainty on how these changes will affect the EP's influence on the EU's development policy, and how the instrument will reform established development policy approaches.

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Introduction
Against the backdrop of a global pandemic, 2020 was the year in which the European Union’s (EU) development policy experienced the most radical changes in decades. In parallel to the negotiation of the EU long-term budget (2021–2027), a new instrument to govern the funding of the Union’s external action was prepared. This instrument replaced a host of existing geographic and thematic financing instruments – i.e. legal bases governing the spending of parts of the overall budget by setting out objectives and processes – into a single governing framework. This reform sought to increase the EU’s visibility, effectiveness and flexibility in dealing with common global challenges. Following nearly three years of preparations and negotiations, June 2021 saw the adoption of the Neighbourhood, Development and International Cooperation Instrument (NDICI – Global Europe); a budgetary framework with a ceiling of €79.5 billion that seeks to promote closer links between international development objectives and the EU’s other foreign policy goals. This outcome represents the most fundamental institutional reform of EU development policy in decades (Furness, Ghica, Lightfoot, & Szent-Iványi, 2020; Keijzer, 2020).
Although the EU development policy is formally governed by the EU Treaties and inter-institutional agreements, this formal rulebook leaves room for interpretation and influence by the institutions: in this case primarily the Commission, the European External Action Service (EEAS), Member States in the Council, and the European Parliament (Holland & Doidge, 2012). The majority of academic research on EU development policy has traditionally focused on the European Commission and the Council as the main actors in this field (Orbie, 2012), while the EP has been predominantly depicted as an actor supporting the initiatives of the Commission (Carbone, 2008; Frisch, 2008). Recent years show a gradual increase in scholarship on the EP’s role in development policy (Cardwell & Jancic, 2019; Delputte & Verschaeve, 2015; Raunio & Wagner, 2021), its emerging foreign policy identity (Delputte & Verschaeve, 2015) and its growing empowerment, institutionalization and legitimation (Goetze & Rittberger, 2010; Rittberger, 2003; Rittberger, 2012).

Under the current Treaties, the EP can influence development policy through its co-legislative powers, supervisory role, and budgetary authority (Delputte & Verschaeve, 2015). The EP’s work on development policy is implemented via parliamentary committees for development (DEVE) and foreign affairs (AFET) which, depending on the issue at hand, interact with other committees as wide-ranging as budget, environment, and trade (Cardwell & Jancic, 2019). With the recently established external financial instrument (EU, 2021) the EP’s involvement in development policy is set to further increase in the coming years. Especially its oversight powers are likely to expand under the new instrument, thus strengthening the institution’s development policy position compared to other institutions.

Against this backdrop, the article contributes to the literature on the role of the European Parliament (EP) in EU development policy by analysing the EP’s involvement in the run-up to and during the negotiations of the new EU external action financial instrument. The article analyses how the EP contributed to the changes in EU development policy discourse and to the reform itself by promoting its development policy preferences and positions. In the context of this paper, we consider “development policy discourse” to refer to overarching and strategic policy statements and political debates. Such policy statements in turn influence legal documents, which determine how the EU uses its considerable development cooperation budget. As such, discourses function as institutionalized structures of meaning that channel political thought and action into certain directions (Connolly, 1983). They are important parts of the policy making process because they serve to articulate different levels and types of ideas.

The article’s primarily inductive approach seeks to identify new research directions on the EP’s role in European development policy and the changing function of this policy field within the wider family of external policies, with three such potential research directions proposed at the end. In light of the considerable financial volume of the new instrument and the operational and policy implications of the reform, this article’s academic relevance goes beyond the specific domain of European studies. The reforms to be introduced under the new framework and discussed in this paper may be of “particular interest” to scholars working on the rise of mutual benefit oriented development policies in international cooperation (e.g. Keijzer & Lundsgaarde, 2018; Mawdsley, 2017). Equally, scholars researching convergence and divergence between the development policies and operations of OECD and so-called “Southern donors” (e.g. Janus, Klingebiel, &
Paulo, 2015; Mawdsley, 2018) might find the following debate of interest for their own work.

The article’s analysis is based on a study of the literature and relevant EU policy documents, including press releases, reports and other written documents put forward by the EP, the Council and the Commission. Through a qualitative content analysis, we compare the initial proposal prepared by the Commission with the views of the EP, the positions of the Council, and the final regulation. This textual analysis was complemented by interviews with two (former) EP officials in March 2021 who had been at the centre of the negotiations, and accounts published by other actors involved in the negotiation process (Manrique Gil, 2021; Raya & San Emeterio, 2021).

The article is structured as follows: the first section discusses the EP’s formal roles and involvement in shaping the EU’s development policy with a main focus on the period 2000–2020. Building on this contextual discussion, the second section scrutinizes the EP’s role during the NDICI negotiations more specifically, by first analysing the preparation of its negotiation position and subsequently looking into the trilogue negotiations with the Commission and the Council. A concluding section discusses the main findings of the analysis and discusses the three potential areas for further research.

The EP’s roles and involvement in shaping EU development policy

The EP first convened as the European Parliamentary Assembly in Strasbourg, and four years later renamed itself European Parliament on 30 March 1962. Due to its limited formal competence in relation to development policy, for several decades the EP had to content itself with monitoring EU development finance and advancing the creation of budget lines to promote specific priorities, the first of which was created in 1976 to support initiatives by European NGOs (Carbone, 2008; Grimm, 2008). Over the years, these two practices gradually established the EP as a key supporting actor of EU development policy (Carbone, 2008; Cardwell & Jancic, 2019).

The Treaty on European Union, which came into force in 1993, formalized and strengthened Parliament’s involvement in development policy. First, it introduced the co-decision procedure under which the EP could amend and vote on Commission proposals that dealt with international cooperation. Second, the Maastricht Treaty gave the EP democratic oversight over the implementation of EU development policy – a supervisory role that involves the scrutiny of EU development programmes. Finally, the Treaty indirectly strengthened the role of the Parliament by granting it budgetary control over the entire EU budget (Delputte & Verschaeve, 2015).

The 2009 Treaty on the Functioning of the European Union (TFEU) introduced procedural changes to the EP’s legislative, budgetary and supervisory roles. The TFEU refers to the EP as a full-fledged actor in EU development policy and place this directly elected institution on an equal footing with the Council. Art. 294 of the TFEU reformed the co-decision procedure into the ordinary legislative procedure. In the realm of development policy, this legislative practice is predominantly used for deciding on the external financing instruments (art. 212; Broberg & Holdgaard, 2015). Another key change in the Treaty’s basis for EU development policy was that it defined the reduction and, in
the long-term, eradication of poverty as the primary objective of EU development policy (Cardwell & Jancic, 2019; Van Reisen, 1999).

The Treaty changes further strengthened Parliament’s influence on EU development policy by distinguishing between delegated acts and implementing acts. Implementing acts are adopted by the European Commission (or exceptionally by the Council) and determine uniform aspects for the implementation of adopted regulation (art. 291 TFEU). Delegated acts are non-essential elements of the regulation that guide its implementation (e.g. regional or thematic priorities). They are proposed by the Commission and adopted after a four-week public consultation and discussion with Member State expert groups. Once adopted by the Commission, Council and Parliament have a veto possibility (art. 291; Broberg & Holdgaard, 2015, p. 364).

**The EP and efforts to reform EU development policy (2003–2017)**

In 2004, the Commission tabled a fundamental reform of the EU’s budgetary framework for external assistance, geared towards “facilitating coherence and consistency, and achieving better and more with resources available” (EC, 2005, p. 2). One key aspect of this reform concerned the rationalization of a large number of geographic and thematic instruments, i.e. distinct legal bases to administer part of the EU’s development cooperation budget, which had grown over time in an ad-hoc manner (Ibid.; Grimm, 2008; Van Reisen, 1999). To this end, the Commission proposed a Development Cooperation and Economic Cooperation Instrument (DCECI), which would replace and merge 16 existing regulations into one (Mackie et al., 2009, p. 2). Moreover, the reform would subsume cooperation with industrialized and developing countries under the same legal framework. This is noteworthy, as the definition also included ACP states, whose cooperation with the EU used to be governed by the extra-budgetary EDF. The DCECI also included a host of thematic initiatives such as environment, human and social development, migration and asylum, human rights and democracy, which hitherto had been funded under separate budget lines. The DEVE committee rejected the proposed regulation during its first reading in 2003. They assessed that the proposed regulation would leave too much flexibility and discretion to the Commission, which would come at the expense of the European Parliament’s involvement. MEPs also argued that EU development policy should preserve its independence. MEPs feared that combining two policy areas (economic and development cooperation) with distinct goals into one instrument could undermine this very independence (Bartelt, 2008; Mackie et al., 2009).

After the DCECI failed to pass, the Commission tabled its plan B that consisted of separate instruments for cooperation with high-income countries, a self-standing instrument for democracy and human rights, as well as the EDF as an extra-budgetary instrument. The financial resources for development policy meanwhile remained under separate legal frameworks. The reform attempt did lead to the creation of the Development Cooperation Instrument, which still managed to merge several former instruments into one and became the second largest development policy instrument after the EDF (Bartelt, 2008).

While this set of regulations remained the basis for EU development policy spending during subsequent years, several policy evolutions and changes supported further
integration of EU development policy into the wider EU external action – a specific objective promoted under the TFEU. A key turning point concerned the 2016 Global Strategy on EU Foreign and Security Policy that called for the EU’s development policy to become more flexible and aligned with the EU’s strategic priorities (EEAS, 2016, p. 11). Debates in Parliament in that period reflected the new tropes in the EU development discourse centering on climate change, migration, and private sector mobilization.

In November 2016, the European Commission proposed a revision of the 2005 European Consensus on Development and the New Consensus on Development was co-signed by the Parliament in June 2017 (European Parliament, 2017). Compared to the 2005 Consensus, the text was more detailed and presented a broader definition of development policy. Whereas paragraph 10 acknowledged poverty reduction as the primary objective of EU development policy, paragraph 11 stated that EU development policy “also” pursues the objectives of EU external action (EU, 2017). The three EU institutions signed the New Consensus at the 2017 European Development Days (see Cardwell & Jancic, 2019; Raunio & Wagner, 2021). The strong horizontal links between development policy, immigration, and security in the document caused frictions between party groups in the Parliament (Raunio & Wagner, 2021). Since then, the conflicts around different approaches to development policy, both within the EP and between the EP and other EU institutions, have become more pronounced. In spite of the tensions, the Consensus also reflected an emerging change of direction towards a stronger integration of EU development policy in the Union’s broader external action agenda.

The European Parliament and the NDICI negotiations: a new EU external action funding instrument

As a key component of its proposed budgetary framework for the period 2021–2027, the European Commission made a second attempt to create a “single instrument”. This time, in addition to the incorporation of the EDF, the proposal also extended to the European Neighbourhood Instrument, explaining the rather cumbersome name of the proposed instrument, Neighbourhood, International Cooperation and Development Instrument (NDICI-Global Europe). The proposed NDICI was geared to fundamentally overhaul the EU’s external action by merging ten instruments, the European Fund for Sustainable Development and the European Development Fund. Given the scope of the reform and the changes that its successful adoption represents for the EU development policy architecture, the NDICI negotiations constitute a unique case to observe the changing EU development policy and the role of the EP in trying to shape it.

While stressing its commitment to Official Development Assistance (ODA) accountability, the Commission described NDICI’s primary goal as “to uphold and promote the Union’s values and interests worldwide in order to pursue the objectives and principles of the Union’s external action” (EP, 2019a). The regulation produced a legal basis for the financing of EU development policy in line with the vision set out in the 2016 Global Strategy and represents significant changes for the EU external action funding. Especially the stronger integration of the tools of EU’s development cooperation and foreign policy may on the one hand improve the unity, coherence and visibility of actions, but on the other hand, could also lead to the subordination of development objectives to foreign policy aims (Manrique Gil, 2021).
Another key difference to the DCECI was that the new proposal not only encompassed grant-based financing but also included development assistance in the form of so-called “blended finance”. Blended finance describes the use of concessional loans and guarantees to mobilize private investments in fragile and emerging markets (Erforth, 2020). This key element of the proposed instrument was initially created in 2017, in form of the European Fund for Sustainable Development (EFSD). Parliament supported the project and successfully called for a strict application of ODA criteria, a strong focus on climate change mitigation, the inclusion of a definition of additionality as a guiding principle for blended finance, and a stronger scrutiny role for itself, including an observer status on the instrument’s strategic board (European Parliament, 2019c).

In contrast to its opposing stance in 2003, this time, the EP agreed with the idea of a “multi-purpose regulation” by preparing a joint DEVE-AFET position on the proposed regulation.

**Reaching a position in the European Parliament**

Following the publication of the Commission’s proposal for a regulation establishing the NDICI in June 2018 (European Commission, 2018), the EP appointed rapporteurs from the DEVE and AFET committees to prepare a joint report setting out Parliament’s position on the proposed regulation. These two committees would jointly work on the proposal, in accordance with the EP’s Rule of Procedure (Rule 58). Four MEPs were designated as rapporteurs (i.e. negotiators) in both committees, representing the three major party groups in the Parliament: Christian Dan Preda and Frank Engel (both EPP), Pier Antonio Panzeri (S&D), and Charles Goerens (Renew Europe). Almost 1,000 amendments were brought forward by committee members in addition to the 380 amendments prepared by the rapporteurs, which makes the NDICI report one of the largest files ever handled by any of the external affairs committees. The size of the file reflects the unprecedented financial, geographic and thematic scope of the proposed instrument. The EP’s report on the proposed regulation, which was to serve as its negotiating mandate during the negotiations with the Council, was adopted in plenary in March 2019 (EP, 2019a).

The explanatory note accompanying the joint report stated that the committees were ready to support “a simplified and streamlined architecture for the EFIs [External Financing Instruments] as long as it clearly respects the objectives of the Union’s underlying policies and it enhances transparency, accountability, efficiency, coherence and flexibility of EU funds for external action” (EP, 2019a). The report particularly welcomed the proposed inclusion of the EDF, reflecting the Parliament’s longstanding position on this matter. It also signaled its readiness to include the European Neighbourhood Instrument (ENI), providing that this region’s privileged status, specific needs and circumstances would be maintained. As per its overall ambition for the instrument, the EP grouped its amendments into three areas: (1) better governance, (2) clearer and distinct objectives for the various policies covered, and (3) changes to the earmarking and budgets within the instrument. Given the major changes in the architecture of external financing instruments proposed by the Commission, a significant part of the negotiations focused on its institutional dimension, for instance the need for the flexibility provided by the instrument to be accompanied by strong control mechanisms, and the role to be played by the Parliament and the Council (Manrique Gil, 2021; Raya & San Emeterio, 2021).
In the first area (governance), the committees proposed the introduction of Delegated Acts (DAs) in order to ensure more “democratic legitimacy and transparency”. The call for more transparency by fiat of an increased number of DAs also reflects the EP’s self-understanding as a development power and its will to actively influence EU action in this particular policy field. Furthermore, the committees advocated for an “enhanced dialogue” between the EP and the Commission to discuss strategic orientations and guidelines – in particular with regard to the adoption of DAs and the draft annual budget. The report also proposed to let the NDICI expire at the end of the 2021–2027 MFF, a position that deviated fundamentally from the Commission’s proposal to adopt an open-ended instrument that would require only minor revisions for each MFF. The proposed end-date would mean that the EP could again co-legislate on the use of the EU’s external budget for the next budget period, with negotiations likely starting in 2025.

In the second area (objectives), the proposed amendments specifically sought to reinforce the normative fundament of EU development policy and to establish clearer and distinct objectives for the various policies in the new instrument. To this end, the report urged for more explicit references to poverty eradication, the Sustainable Development Goals and the Agenda 2030.

Third and last, Parliament’s amendments on earmarking and budgets suggested to shift the balance within the proposed instrument towards a stronger focus on planned funding for the full seven-year period, specifically by increasing allocations for human rights, civil society and local authorities, and global challenges – the latter referring to programmes targeting common worldwide challenges. This increase would be achieved by a proportionate reduction of the so-called “flexibility cushion” that was proposed to finance more flexible and short-term actions under the instrument (EP, 2019a). While this in part reflected an effective lobby on the part of civil society and local authorities as a long-standing partner of the EP (see Carbone, 2008), these changes also meant that Parliament was seeking a more “programmable” as opposed to more flexible instrument. This position could be seen as seeking to preserve the established approach to EU development cooperation. With regards to the budget, Parliament wanted to raise the percentage of funding that aimed to fulfil the criteria for official development assistance (ODA) to 95% (from the proposed 92%), and to secure 30% of the instrument’s funds for climate change mitigation and adaptation, with an additional 15% to support environmental objectives. Lastly, Parliament would push for the possibility to suspend assistance to a given country in case it persistently violates the principles of democracy, the rule of law and human rights.

During the plenary debate before parliament’s position on the NDICI was adopted, the then European Commissioner in charge of development policy, Neven Mimica, welcomed the Parliament’s support for a “more coherent and responsive instrument” (EP, 2019b). The Commissioner further called for retaining sufficient flexibility and argued against increasing the percentage of the budget to fulfil the ODA criteria to 95%. He finally expressed caution against creating “additional layers of institutional control and making excessive use of delegated acts” as this could make the new instrument too complex and hence be counterproductive (EP, 2019b). On 08 October 2019, the Parliament decided to enter into inter-institutional negotiations on the basis of its first-reading position.
The trilogue negotiations

The EP’s main counterpart in the negotiations, the Member States, represented through the rotating Presidency of the Council, required significantly more time to prepare their negotiation position. While some Member States cast doubt on including the EDF, as this could affect the special relationship with the ACP states, others were against the inclusion of the ENI as this in turn was thought to affect the privileged relationship the EU maintains with its direct neighbours. Because of these different interests and positions, the Council was only able to enter into negotiations based on a partial negotiating mandate, which left these and other key aspects of the proposed instrument open.

Although they were unable to adopt a full negotiation position at first, Member States mostly supported the overall idea and philosophy of the NDICI. In addition, several Member States previously had adopted development policy statements that emphasized the pursuit of interests in a similar manner as proposed by the NDICI (Keijzer & Lundsgaarde, 2018). Contrary to the EP’s position, the Council’s position sought to increase the instrument’s flexibility, for instance by removing the 20% input target on social inclusion and human development. Rather than proposing to increase the amount of funding in line with the ODA reporting criteria, the Council proposed to adjust funding allocations based on third country cooperation in the area of migration. The Council’s negotiating mandate foresaw the inclusion of more references to migration as part of the new instrument’s objectives and a spending target of 10% dedicated to migration. It further suggested deleting all references to delegated acts, and with that the idea that the EP and the Council should be on an equal footing in relation to the instrument (Council of the European Union, 2019).

Against this backdrop and despite a general desire to accomplish an overarching reform of the EU’s external instruments, the negotiations were difficult from the start.

The Council entered the negotiation talks on 23 October 2019, more than half a year after the EP had adopted its own position. Following the elections in 2019 and due to the new composition of the Parliament, the three departing rapporteurs were replaced by Michael Gahler, Rasa Juknevičienė (both EPP), and Maria Arena (S&D), while Charles Goerens continued for another term. Although individual rapporteurs changed, the relative representation of the three political groups remained the same and the negotiation mandate as adopted under the previous legislature was carried on. This continuity supported the above-described view of the Parliament as a unitary actor and strengthened the EP’s negotiation position. Due to the high number of individuals involved in the different EU institutions, trilogue negotiations were constrained by the availability of suitable meeting rooms and limited time. An unintended effect of the Covid-19 pandemic was that online tools allowed for longer and more detailed trilogue negotiations than would have been possible under “normal” conditions. Progress in the NDICI negotiations also hinged on the ongoing overall EU budget negotiations. After the Commission had proposed key changes to its original EU budget proposal in May 2020, the July 2020 European Council political agreement by EU Heads of States and Government was a breakthrough in the overall EU budget negotiations and those of the individual instruments governing its use, including NDICI (European Council, 2020).

The EU budget negotiations still faced plenty of challenges in subsequent months. It took until 11 November 2020 for the EP and the Council presidency to reach a political agreement on the EU long-term budget, which included a €1 billion top up for NDICI
compared to the budget agreed by the European Council in June 2020. The agreement was subsequently blocked by Hungary and Poland over the clause to link EU funds to the respect of the rule of law. Like the other sectoral negotiations, this setback meant that no further progress could be made in the NDICI negotiations, and no deal was reached in the political trilogue of 20 November 2020.

The impasse was broken a few weeks later, when – after 14 months of negotiations – on 15 December 2020 a political agreement was reached. The deal to establish the NDICI with an overall budget of €79.5 billion (in current prices) and incorporating the EDF constitutes a historic change in EU development policy, and Parliament’s roles in relation to it (Raya & San Emeterio, 2021). Further technical negotiations followed in the first months of 2021 to translate the political consensus in the legal text of the instrument. This provisional agreement on the NDICI sheds light on the extent to which the EP has successfully promoted most of its preferences.

The resulting NDICI regulation

The publication of the provisional agreement on the new instrument on 15 March 2021 (EU, 2021) concluded the substantive negotiations. An analysis of the press releases issued by the Commission, Council and EP in the days after shows interesting discursive differences in terms of the overall nature and focus of the new instrument and what aspects each institution considered as achievements.

The selected excerpts in table 1 show that all three institutions highlighted the various themes and objectives pursued, as well as the important institutional reform through the merging of existing geographic and thematic instruments. Whereas the Commission and Council refer to the instrument’s flexibility by highlighting its possibility to adapt and respond to global challenges, the EP emphasizes its programmatic elements and is the only institution to refer to its own role in relation to it. All in all, the comparison shows that the instrument is so overloaded with objectives and principles that its actual focus and purpose(s) will be subject to further negotiations on how the instrument will be implemented and work in practice. This also underlines that the governance of the instrument – and indeed the control over these choices – was the main blocking point in the negotiations, and resulted in the EP agreeing a “geopolitical dialogue” with the commission each 6 months, while the Council also underlined its roles in a separate declaration issued at the December 2020 political deal (Raya & San Emeterio, 2021). The near doubling of paragraphs in the regulation from 49 (2018 proposal) to 89 (2021 Regulation) illustrates the various policy expectations that the co-legislators have added to the new instrument.

Bearing this in mind, a comparison between the original Commission proposal and the Parliament’s position may nonetheless allow us to approximate the EP’s influence on the decision-making process. Three substantive points can be observed where the EP can claim to have successfully promoted its preferences, and one prominent aspect where it is likely to be perceived as having been unsuccessful.

First, the EP wished to strengthen references to the Union’s values in the NDICI regulation. It emphasized that the document should more explicitly state its aim to contribute to human rights and democracy worldwide, as well as to a value-based international order. The regulation includes several new references to the promotion of human rights and democracy. Moreover, the agreed text includes a new article (art. 12) listing...
### Table 1. Selected excerpts from EP, Commission and Council press releases upon adoption of NDICI.

| European Parliament | Commission | Council |
|---------------------|------------|---------|
| Support the European Union’s values, principles and fundamental interests worldwide (June, 2021) | Urpilainen: support a sustainable global recovery and promote comprehensive partnerships across the world that invest in democracy and human rights (March 2021) | The new instrument will cover EU cooperation with all third countries, thereby allowing the EU to effectively uphold and promote its values and interests worldwide while supporting global multilateral efforts. (March 2021) |
| Support sustainable development in EU neighbourhood countries, Africa, Asia, the Americas, the Pacific and the Caribbean (June, 2021) | Borrell: Sustainable development, global priorities (peace, stability, good governance); Várhely: economic recovery of neighbours in the East by boosting growth, jobs and key sectors like connectivity, infrastructure, energy and digital (March 2021) | Funding actions linked to the SDGs (human rights and democracy, civil society, stability and peace, global challenges) (March 2021) |
| Sustainable development, human rights, democracy, civil society as well as global challenges (June, 2021) | This envelope will be used for international partnerships on sustainable development, climate change, democracy, governance, human rights, peace and security in our neighbouring countries and beyond. (June 2021) | Geographical: good governance, inclusive growth, climate and environment objectives, poverty eradication, the fight against inequalities, resilience, conflict prevention and human development, among other cross-cutting issues |
| Deal brings external funding programmes under one instrument for the first time (June, 2021) | Borrell: It gives us the flexibility needed to respond faster and in a more coherent way to ongoing and emerging global challenges, while supporting global priorities such as peace and stability, good governance, trade and inclusive and sustainable growth. (March 2021) | Thematic: fund actions linked to the Sustainable Development Goals at global level, including support for civil society organizations (June 2021) |
| Increased focus on rule of law, democracy, human rights support, and strengthened scrutiny by Parliament (June, 2021) | Urpilainen: With the instrument’s financial arm- the EFSD+– we will have the means to increase the mobilisation of private investments towards the achievement of the Sustainable Development Goals. For our geopolitical Commission, this instrument will consolidate a stronger Europe in the world, by aligning better our funding to our overall priorities. (March 2021) | This new key financing instrument is the tangible proof that the EU wants to be a global player. (March 2021); NDICI-Global Europe is the main financial instrument for the EU’s external action, and is of ever greater importance in the light of the heavy economic and social impact of the COVID-19 pandemic worldwide. (June 2021) |
| The new streamlined instrument will serve as the EU’s main financing tool for helping countries most in need to overcome the long-term developmental challenges and merge several current EU instruments under one global roof. The EU will also boost its innovative financing under the European Fund for Sustainable Development Plus, by leveraging private capital to complement direct development assistance. (March 2021) | Urpilainen: For the first time in 50 years of development policy, all external financing instruments will be simplified and consolidated into a main one to better serve our political priorities. This crucial change will nurture international partnerships as never before and help the countries most in need, including those affected by conflict and instability. (June 2021) | At the same time, as NDICI-Global Europe was designed to be a more flexible instrument, able to address new emerging priorities and challenges in a fast-changing world, €9 534 million will be earmarked for unexpected events, such as crisis and post-crisis situations or migratory pressure. (June 2021) |

16 international and European policy documents that should guide the actions under the regulation. These changes had been sought by the EP, which welcomed the “increased focus on rule of law, democracy, human rights support” (European Parliament, 2020a). Specifically, and in line with its general position as a traditional promoter of
human rights, the EP pushed for the inclusion of an article on the suspension of assistance “where a partner country persistently fails to observe the principles of democracy, the rule of law, good governance, respect for human rights and fundamental freedoms, or nuclear safety standards” (EP, 2019a, p. 107). Although the strict language was watered down and the amendment was not translated into a completely new article, the possibility of suspending assistance is now explicitly mentioned in the provisional agreement.

Second, climate and environmental objectives seem to have been influenced by the EP’s position that pushed for more ambitious commitments. The original proposal reserved an overall target of 25% of the Union budget expenditures to support climate objectives. This target was increased to 30% in the final resolution, after a push by the EP that actions under the regulation should “contribute to 45% of its overall financial envelope to climate objectives, environmental management and protection, biodiversity and combatting desertification” (EP, 2019a, p. 33).

Third, the EP strongly defended the need for more accountability, democratic control and transparency in the regulation, including the development of regular monitoring and information sharing with the Parliament itself (in addition to the Council). Parliament also called for clearer responsibilities for the Commission to ensure effective and regular reporting and scrutiny of external actions. The approved regulation stresses that the EP, the Council and other stakeholders, including civil society organizations, should be involved in independent external evaluations. It was moreover agreed that the EP would have two geopolitical dialogue meetings with the Commission/EEAS on an annual basis, to allow for a structured high-level dialogue about the implementation of the instrument, its context and its results. Whereas the responsibility for the inclusion of new provisions is difficult to discern, they are in line with Parliament’s original negotiation mandate and go into the direction of its requirements.

In contrast to these three points, the EP was less effective in promoting its position on the contested issue of migration, which seemed to be dominated by the view of the Council. This is partially due to a lack of consistency and a decreasing commitment by the EP to its own negotiating position. The EP’s 2019 NDICI position promoted a “holistic view of migration” without conditioning the allocation of development aid on partner countries’ migration management. The final regulation, however, leaves the door open for Member States (MS) to use external cooperation to respond to migration challenges, earmarking 10% of its budget to migration-related actions, as well as introducing a form of migration conditionality using the language found in the Council’s mandate. Indeed, the outcome on this area seemed more aligned with the Council’s position that pushed for the instrumentalisation of external action funds to migration management.

The EP in fact informally amended its own position on the matter by means of an own-initiative report (European Parliament, 2020), a move that evidenced the conflictive nature of the issue of migration within the Parliament itself. Prior to the vote in plenary, the DEVE Committee Chair tabled two controversial amendments affecting migration management. The first removed a paragraph expressing concern that the EU and MS were attaching conditions to aid in relation to developing countries’ willingness to cooperate on migration and border controls, recalling that there should not be such conditionality. The passage was then replaced by the notion that EU aid should promote joint priorities and policy objectives, including migration management. The second amendment removed language restating that making aid conditional on cooperation
on migration and security was not compatible with development effectiveness principles. The modified text simply stressed that humanitarian and emergency aid, specifically, should not be subject to conditionalities. While not formally linked to the NDICI trilogue, the resolution was perceived by those involved as a change in the EP’s position on migration conditionalities and indirectly affected the NDICI talks.

The above discussion of plausible successes in terms of the reflection of the EP’s preferences in the negotiation outcome should acknowledge that the new instrument allows opportunities for the EP’s further engagement in and control over EU development policy. It however by no means guarantees a stronger involvement of the EP in the future making and implementation of development policy, which in practice will be determined by the EP’s party-political dynamics, the cooperation with the other co-legislators, and ultimately by the agency of key MEPs involved in development policy. It is therefore too early to assess what the EP has “won”, but it can be plausibly argued that the EP has influenced key parts in the regulation that could enable its eventual effective engagement to shape development policy.

Conclusion

This article analysed the roles and involvement of the EP on the changing EU development policy, with a focus on the NDICI negotiations. Having revisited Parliament’s progressively more assertive stance and legal role in the field of development policy, the analysis focussed on the interaction between the EP, the European Commission and the Council of the EU during the so-called trilogue negotiations that resulted in the adoption of the new instrument. The article showed how the EP uses its co-legislative role to introduce changes to its other two development policy roles: budgetary control and supervision. Most importantly, we found the final regulation to reflect several key negotiation priorities as promoted by Parliament, including a more coherent and holistic approach to development, coupled with human rights, democracy, solidarity and sustainability.

The EP moreover pushed for a greater self-involvement in the policy dialogue on the new instrument, to the extent that it has successfully sought means to co-determine and monitor overarching strategic choices in dialogue with the Council and Commission. On the one hand, the resulting regulation adopted some substantive changes pushed for by the Parliament, such as clearer objectives and stronger references to the normative principles of international cooperation (e.g. Agenda 2030, SDGs and human rights), more ambitious targets for tackling climate change, and the Commission’s increased commitment to share information with the Council and the EP. On the other hand, the Council’s prevailing view on migration and the aim to use external funds to curb immigrant inflows were adopted in the final regulation. However, the complex nature of the new instrument and the various perspectives of the co-legislators create uncertainty as to whether the EP will translate this new gained influence into practice.

Three directions for further research may be considered. First of all, the analysis presented here confirms that the nature and scope of the reform has considerable relevance beyond the EU itself, and to an important extent also reflects views among the EU member states on the role and function of EU development in international relations today. Further research on the implementation of the NDICI could describe and assess to what extent the integration of development, foreign and neighbourhood policies
under a single legal roof has a bearing on the implementation choices made and on the nature and focus of the policy dialogue on development. Second, the description of the NDICI negotiations shows that the co-legislators have distinct understandings of the role and nature of development policy today, understandings that also differ among key actors within the Council, Commission and Parliament. Further research should look into the extent to which the merging of instruments and the various policy areas (i.e. development, foreign and neighbourhood policy) has contributed to greater coherence between institutions and thus increased effectiveness of the policies concerned. Third and last, future research should also explore how the party-political dynamics – both within and between the EP’s political groups – influence the EP’s preferences, its leverage and the policy outcomes in relation to development policy. While the EP has successfully promoted some of its preferences in the NDICI negotiations with the effect of increasing its own agency in the governance of EU external action, the growing political fragmentation in the EP raises questions as to its future influence on development policy.

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