

## Proposed amendments for the joint statement on the European Consensus on Development

Brussels 22 February 2017

### Annex I

Text of the EC communication on a proposal for a new consensus on development	Proposed text for the joint statement on the European consensus on development
<p>41. The EU and its Member States will help to make developing countries more business-friendly. They will contribute to improving conditions for economic activity by promoting better policies and regulatory environment, better business environments, new business models and greater government capacity. They will promote access to financial services, including for women, for the poor and for micro, small and medium enterprises. They will also promote private sector initiatives and social enterprises providing local services. Public sector investment in research and innovation capacity in developing countries can also help unlock private sector investment and help drive economic and social development.</p>	<p>41. The EU and its Member States will help to make developing countries more business-friendly. They will contribute to improving conditions for economic activity by promoting better policies and regulatory environment, better business environments, new <b>inclusive</b> business models and greater government capacity. They will promote access to financial services, including for women, for the poor and for micro, small and medium enterprises. They will also promote <b>local</b> private sector initiatives, <b>cooperatives</b> and social enterprises. Public sector investment in research and innovation capacity in developing countries can also help unlock private sector investment and help drive economic and social development.</p>
<p><b>Justification:</b> It is of great importance to recognise the diversity of private sector actors at the local level. References can be found within EC Communication “Increasing the impact of EU Development Policy: an Agenda for Change”, 2011 as well as in the EC Staff Working Document “Key European action supporting the 2030 Agenda and the Sustainable Development Goals”, 2016 – <i>“The EU supports the development of a competitive local private sector including by building local institutional and business capacity, by promoting SMEs, cooperatives, inclusive business models and social enterprises (...)”</i></p>	
<p>43. The EU and its Member States will work with the domestic and international private sector, including employers' and workers' organisations, to promote responsible, sustainable and effective approaches. The private sector should engage in responsible and sustainable activities that contribute to the implementation of the 2030 Agenda. The EU and its Member States will promote the mobilisation of private resources for development in areas with significant transformation potential for sustainable development (..).</p>	<p>43. The EU and its Member States will work with the domestic and international private sector, including employers' and workers' organisations, to promote responsible, sustainable and effective approaches. <b>They will comprise differentiated strategies to engage the various types of private sector actors, including cooperatives, social enterprises and other forms of people-centred business,</b> in responsible and sustainable activities that contribute to the implementation of the 2030 Agenda. The EU and its Member States will <b>also</b> promote the mobilisation of private resources for development in areas with significant transformation potential for sustainable development (..).</p>

**Justification:** The EU and Member States' development policies should acknowledge that the private sector is a heterogeneous set of actors. In order to effectively contribute to sustainable development, they should foresee differentiated strategies to engage with the various types of private sector actors.

70. Successful implementation also requires forging stronger partnerships beyond governments. The EU and its Member States will expand partnerships with the private sector, civil society, including trade unions and employers' organisations, multilateral organisations, academia, diaspora groups and others. They will continue to support capacity building of relevant stakeholders.

70. Successful implementation also requires forging stronger partnerships beyond governments. The EU and its Member States will expand partnerships with the private sector, civil society, including trade unions, **cooperatives** and employers' organisations, multilateral organisations, academia, diaspora groups and others. They will continue to support capacity building of relevant stakeholders.

**Justification:** The EU and its Member States should adopt a multi-stakeholder, people-centred and inclusive approach, implying the meaningful involvement of all stakeholders, including civil society, local and regional authorities, private sector to better integrate the diverse needs and concerns of people in the formulation of sustainable development policies at all levels. Cooperatives have a dual identity as member-based and democratically owned enterprises. They are recognised within the 'Agenda for Change' and the EC communication on 'A stronger role of the private sector' as an important actor of the local private sector while the communication of the European Commission, 2012, recognizes the particularities of cooperatives embedding the critical features of civil society organizations, such as being member-based and not-for-profit oriented.

## Annex II

### Text adopted by the European Parliament on its resolution of 14 February 2017 on the revision of the European Consensus on Development

#### ***Global public goods and challenges***

83. Recalls that small-scale and family farming, the most common agricultural model worldwide, plays a key role in the fulfilment of the SDGs: it contributes substantially to food security, to the fight against soil erosion and biodiversity loss, and to the mitigation of climate change, while providing jobs; stresses that the EU should promote on the one hand the creation of farmers' organisations, including **cooperatives**, and on the other hand sustainable agriculture focusing on agro-ecological practices, better productivity of family farms, peasants' and land use rights and informal seed systems as a means of ensuring food security, supply of local and regional markets, fair income and a decent life for farmers;

84. Recalls that the 'private sector' is not a homogenous set of actors; stresses therefore that, in dealing with the private sector, EU and Member State development policy should comprise differentiated strategies to engage the various types of private sector actors, including producer-led private sector actors, micro, small and medium-sized enterprises, **cooperatives**, social enterprises and those in the solidarity economy;

#### ***EU development objectives, values and principles***

24. Calls for specific EU development strategies to better target, protect and support vulnerable and marginalised groups such as women and children, LGTBI people, elderly people, persons with disabilities, small producers, **cooperatives**, linguistic and ethnic minorities and indigenous peoples, in order to offer them the same opportunities and rights as everyone else, in line with the principle of leaving no-one behind;

#### ***Financing for development***

55. Recognises the role of local micro, small and medium-sized enterprises, **cooperatives**, inclusive business models and research institutes as engines of growth, employment and local innovation, which will contribute to the achievement of the SDGs; calls for the promotion of an enabling

environment for investment, industrialisation, business activity, science, technology and innovation in order to stimulate and accelerate domestic economic and human development, as well as of training programmes and regular public-private dialogues; acknowledges the EIB's role under the EU EIP and stresses that its initiatives should focus particularly on young people and women, and should – in alignment with development effectiveness principles – contribute to investment in socially important sectors such as water, health and education, as well as in supporting entrepreneurship and the local private sector; asks the EIB to devote more resources to microfinances with a strong gender perspective; calls on the EIB, moreover, to work alongside the African Development Bank (AfDB) to finance long-term investments to be the benefit of sustainable development and on other development banks to propose a microcredit facility to subsidise sustainable loans to family farms;

## **References of Cooperatives within the EU documents**

### **1. EC Communication “Increasing the impact of EU Development Policy: an Agenda for Change”, 2011**

On 13 October 2011, EU Commissioner for Development, Andris Piebalgs, unveiled the 'Agenda for Change' of EU Development policy. This communication is the basis of the future EU development strategy, with which the EU aims to re-prioritise its delivery of aid to developing countries to ensure maximum impact on poverty reduction.

Cooperatives are directly supported in this document in these terms:

“The EU should support the development of competitive local private sectors including by building local institutional and business capacity, promoting SMEs and cooperatives, supporting legislative and regulatory framework reforms and their enforcement [...], facilitating access to business and financial services and promoting agricultural, industrial and innovation policies.”

### **2. EC Communication “The roots of democracy and sustainable development: Europe's engagement with Civil Society in external relations”, 2012**

On 12 September 2012 the European Commission released this communication defining Civil Society Organisations (CSOs) as a wide range of actors with different roles and mandates, including cooperative enterprise, being membership-based and service oriented organisations. This new approach embraces new actors and opens up consultation tables on CSO policies to cooperative actors, as well as the possibilities of cooperation with the EU Institutions on this field.

The document specifically recognises cooperatives' contribution to inclusive and sustainable growth as follows:

“Association of cooperatives [...] are particularly active in promoting entrepreneurship and job creations by mobilizing grassroots communities, delivering services and stimulating income generating activities for the poor and marginalized”.

It also stated that “the EU will support CSO<sup>1</sup> initiatives and partnerships, which combine social and economic ambitions [...] particular attention should be given to job creation and entrepreneurship responsive to community needs”.

### **3. EC Communication “A Stronger Role of the Private Sector in Achieving Inclusive and Sustainable Growth in Developing Countries”, 2014**

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<sup>1</sup> They include membership-based, cause-based and service-oriented CSOs. Among them, community-based organisations, non-governmental organisations, faith-based organisations, foundations, research institutions, Gender and LGBT organisations, **cooperatives**, professional and business associations, and the not-for-profit media. Trade unions and employers' organisations, the so-called social partners, constitute a specific category of CSOs.

This communication on the private sector in development was released by the European Commission on 13 May 2014. In line with the 'Agenda for Change', it highlights the strategic role of cooperative enterprises in international development.

The document recognises in particular that:

“The private sector is highly diverse, ranging from enterprising individuals to large multinational corporations and financial institutions; from enterprises creating shareholder value to people-centred social businesses, cooperatives and workers and employers organisations.” and that “cooperatives [...] are often leading the way in providing decent jobs, sustainable livelihoods and inclusive solutions to social problems.”

It also foresees concrete supporting actions, such as to “co-finance market-based schemes for MSMEs to access business support services from local providers including [...] informal self-help organisations and cooperatives [...]”.

### Annexe III

#### **Text by the Council of the European Union “European Consensus on Development - First Presidency revised draft”**

50. The EU and its Member States will help to make developing countries more business-friendly. They will contribute to improving conditions for inclusive economic activity by promoting better policies and regulatory environment, better business environments, new business models and greater government capacity, as well as combatting corruption. They will promote broad access to financial services, including for women, for the poor and for micro, small and medium enterprises. They will also promote private sector initiatives and social enterprises, **cooperatives**, and women and youth entrepreneurs, to boost the provision of local services. They will promote sustainable and transparent public procurement to support sustainable development. Public sector investment in research and innovation capacity in developing countries and cooperation on science and technology can also help unlock private sector investment and help drive inclusive sustainable growth.