

The future collaborative framework for external aid between the EU and the UK

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The departure of the UK from the EU will affect whether or how UK organisations and NGOs can participate in a number of EU external development cooperation instruments. This will have not only budgetary consequences, but will also negatively impact the achievement of the common goals set by the European Consensus on Development.

The Lunchtime Policy Dialogue focused on three issues:

- what might be lost in the EU-UK divorce;
- the post-Brexit EU-UK relationship;
- strategic imperatives for continued EU-UK collaboration and instruments that could be put at the service of such collaboration.

1. Gaging what is lost in the divorce

Panellists emphasised that the EU provides a positive framework for collaboration in external development cooperation. Brexit is regarded as the top challenge in this field and the primary concern is developing an EU-UK collaborative framework, connecting the UK to EU organisations and NGOs, and vice-versa.

CEPS and the British Council co-organised a Lunchtime Policy Dialogue dealing with “The future collaborative framework for external aid between the EU and the UK” on 15 March 2018, the third in a series of events on the future of a long-term EU-UK partnership in three priority areas: science and research, higher education and student mobility, and external development cooperation. The aim was to explore options for continued EU-UK cooperation from a depoliticised, expertise- and research-based angle.

Chaired by Steven Blockmans (Senior Research Fellow and Head of EU Foreign Policy Unit at CEPS) the discussion featured presentations by Jo Beall, (Director Education and Society, and member of the Executive Board at the British Council), Reiner Forster (Deputy Director of the GIZ Representation Brussels), Tamsyn Barton (Chief Executive, Bond), Yohannes Abraha (Minister-Counsellor for Political and Public Diplomacy at Embassy of Ethiopia in Brussels) and Andrew Sherriff (Head of Programme European External Affairs at ECDPM).

The impact of Brexit on the beneficiaries of EU and UK external development cooperation is potentially considerable.¹ The EU and its member states provide over 50% of global financing for development cooperation and are collectively the world's largest donors.² One participant pointed out that the UK was one of the strongest supporters of Africa and played a significant role in shaping EU development policy vis-à-vis the continent. The UK has also played an important role in the context of security in the horn of Africa, namely in Somalia and South Sudan. Brexit casts doubt on the amount of financing, which is likely to be allocated to Africa after 2020, and the way in which it will be spent.

Meanwhile, the high degree of uncertainty about the actual outcome of the Article 50 negotiations concerns all the parties involved.

Four main factors are likely to influence the future relationship between the EU and the UK:

The *first* factor is the changing global political environment over the last twenty years as well as the SDGs. External development cooperation has been put at the service of wider political trends. These trends will likely influence the future collaborative framework for external development cooperation and the wider relationship between the EU and the UK. In the words of one speaker, “the changing political environment will create incentives and disincentives for the EU and the UK to work together differently”.

The *second* factor is the growing influence of domestic factors on the strategic orientation

of external development cooperation (e.g. terror attacks). Therefore, there might be a change of geographic priorities in the UK (e.g. Eastern neighbourhood) that is likely to affect future cooperation with the EU.

The *third* factor is the actual outcome of the Article 50 negotiations setting the tone for the future EU-UK relationship. A possibility for the UK to contribute financially to the EU and in turn access the single market may open more opportunities for close cooperation on external development.

Fourth, external development cooperation differs from other policy areas. Joint efforts, joint mobilisation of financial resources and political efforts can enhance its impact, leaving open possibilities for pragmatic workarounds for the UK and the EU to cooperate. However, this depends on keeping transaction and political costs low.

2. What type of EU-UK cooperation?

With the impending departure of the UK from the EU, it is not certain how and to what extent UK organisations and NGOs will be able to continue to collaborate with the EU in the field of external development cooperation.

It is also unclear how meaningful the new cooperation will be and whether the EU and the UK will manage to arrive at a systemic framework for cooperation or have to opt for ad hoc solutions.

2.1. The zero option

In the absence of a collaborative framework, the UK could collaborate on an ad hoc basis with the EU or on a bilateral level with member states. One speaker gave assurances

¹ <https://euaidexplorer.ec.europa.eu/DevelopmentAtlas.do>

² https://ec.europa.eu/europeaid/policies/european-development-policy_en

that in the absence of an EU-UK collaborative framework, his institution would continue to collaborate with UK organisations and NGOs on a bilateral basis, “driven by practical considerations or added values”. However, not having a collaborative framework is likely to drastically reduce the participation of the UK in EU programmes and weaken the voice of UK organisations and NGOs.

Speakers and participants underlined a number of threats to achieving the SDGs and the wider development cooperation agenda on account of Brexit:

- the fragmentation of the budget;
- the lack of coordination between the EU and UK organisations and NGOs;
- the geographic shift in the focus of EU and UK development financing manifested in new commitments to more security driven objectives, such as addressing the root causes of migration;
- the new conditionality, which may be built into development cooperation due to a “pick and mix approach”;
- the failure to demonstrate the same level of political will for development cooperation in the EU and the UK.

2.2. Benefits of EU-UK collaborative framework

Panellists made it clear that it is in the interest of both the EU and the UK to develop an EU-UK collaborative framework in external development cooperation. The benefit for partner countries was also undisputed.

Although modalities are yet to be determined, it is clear that having such a

framework will:

- help reduce fragmentation of the budget;
- help overcome a lack of coordination between the EU and UK organisations and NGOs;
- increase the effectiveness and impact of development cooperation;
- improve the visibility and political weight of the EU and the UK.

3. Looking ahead

The speakers underscored the importance of policy convergence based on mutual interests and common values. They highlighted the fact that the SDGs, the Paris Agreement, the Post-Cotonou discussions, and the Addis-Ababa agreement on financing of development are built on common interests and values.

In this context, the speakers welcomed the recent UK non-paper on “The EU beyond 2020 Future Development Instruments”. In particular, panellists were sympathetic towards the non-paper for being less about security and more about a shared vision.

However, policy convergence alone might not be sufficient to trigger collaboration and to define and implement projects at the grassroots level. The participants agreed that much more is needed than references to a shared vision.

The panellists also discussed strategic imperatives for continued operation in the field of external development cooperation as well as instruments that could be put at the service of attaining those goals.

The participants strongly recommended that the UK continue to provide financial contribution to EU financial instruments post-Brexit. Some called for the EU to offer the UK a seat at the table. Specifically, panellists reflected on the possibility that the UK could continue to participate in the EDF and in the EU Trust Funds after 2020.

It was emphasised that while the EU seeks the UK's financial contribution, the UK needs the cooperation with the EU in order to reach its development cooperation goals. One of the speakers elaborated on strategic imperatives in three points: [1] provide value for money; [2] generate the maximum added-value in selected programmes; and [3] increase global input and impact.

Furthermore, exchanging experiences and best practices in relation to issues of shared interest remains of the utmost importance. Pooling its funds with EU partners will also benefit the UK as it has already committed to the 0.7% UN aid spending target.

Finally, the participants highlighted a number of opportunities for EU-UK collaboration in the field of external development cooperation including:

- ECHO's invitation to third parties to contribute to EU funding;
- the intention of CONCORD (the European NGO Confederation for relief and development) to continue to involve NGOs based in the UK as full members;
- the discussions on a post-Cotonou framework.

Conclusions

The views expressed during the policy dialogue concurred that post-Brexit external development cooperation policy should be enshrined in a strong EU-UK collaborative framework. The presentations and ensuing debate confirmed the limitations of opting for ad hoc solutions. Discussion also showed that in the future the UK should be permitted to provide financial contributions to EU financing instruments and to access EU financing channels. The panellists concluded that the EU and the UK organisations and NGOs have to move towards policy convergence in order to take advantage of the opportunities that lie ahead in the field of external development cooperation.