

Part of the act4europe campaign initiated by the Civil Society Contact Group

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### **A lowest common denominator deal on the EU budget is bad for poor people in Europe and in the World**

If Europe's Heads of State reach a deal on the EU's future 7 year budget this week the main losers will be people living in poverty, both inside and outside the EU. The wrangling by Europe's richest Member States aimed at minimising the cost of EU membership undermines many of the principles on which the EU has been built.

The British Presidency's latest proposals, released on 14 December 2005, continues to target cuts for funding earmarked to New EU Member States and Europe's external actions, including aid to developing countries. Original proposals for the 2007-2013 budget from the Commission and Parliament sought to reflect the EU's current political commitments and ambitions, both to Europe's ten poorest recent Member States and Europe's developing country partners.

This wrangling over the EU's future budget takes place as Europe seeks to project itself as a global leader in tackling world poverty. In 2005 European Member States made commitments to diminish world inequalities, by increasing the quality and quantity of their aid efforts, by providing additional debt relief to developing countries and through promoting reforms to world trade to benefit the poorest.

*"In the fight between Europe's richest Members States to protect their own financial interest the poor in Europe and the rest of the world are the clear losers. Not only is there less money than had been promised earlier, but the budget battle results in less attention paid to eradicating poverty both in Europe and in the developing world. Europe's rhetoric on tackling poverty must be turned into reality to achieve the Millennium Development Goals,"* said Simon Stocker, director of Eurostep.

Similarly Commission President Barroso wrote that the commitments made by Europeans to increase their aid had a price and that *"the level discussed in the European Council are not sufficient to meet these commitments"*.

*"Rich Member States cannot continue to make nice promises to developing countries while cutting Europe's development spending. Lowest common denominator deals on the 2007-2013 budget will not solve the current European crisis. Europe needs sufficient resources to demonstrate it can deliver on social justice and the eradication of poverty,"* said Stocker.

#### **For more information:**

Florent Sebban, Eurostep Policy Advisor on +32 2 234 2667