



Eurostep General Assembly

From 7 to 8 December the 15 member organisations of Eurostep met in Brussels to discuss European development policies and the role Eurostep should play in them. Together with MEP Gay Mitchell the General Assembly appreciated the great achievements that have been realized in the negotiations for establishing a Development Cooperation Instrument (DCI), particularly the focus on developing countries only, the concrete benchmarks for basic health and education and co-decision involving the European Parliament.

In the discussions of the agenda for the coming years the revival of the constitution, which is expected during the German EU presidency in the first half of 2007, and its combination with Eurostep's vision of a responsible Europe played a key role. Invited representatives from civil society from the South (Africa, Latin America and Asia) articulated their demands to the European Union and pointed out ways how Eurostep could help to promote these. Another major point in the upcoming years will be the close monitoring of the implementation of EU activities in the world and the General Assembly supported Eurostep in taking up this challenge.

The General Assembly was also very happy to welcome two new members into Eurostep. The applications for membership from the UK based organisation Marie Stopes International and the Romanian Civil Society Development Foundation were approved. They had sought membership of the Eurostep network to cooperate closer with other European development NGOs and have a positive impact on European development policy.

Sources: <http://www.eurostep.org>

Seminar on EU aid programming to the MDGs

On the occasion of the European launch of the Social Watch Report 2006 "*Impossible Architecture: Why the financial structure is not working for the poor and how to design it for equity and development*" on 7 December a seminar about the ongoing EC aid programming process was organized by Europe External Policy Advisors.

Throughout 2006, serious questions have been posed about the lack of transparency and genuine ownership involved in the EC's programming process which seems to be limited to small government elites. At the same time, concerns have been raised about the extent to which the EC's financial architecture is geared towards supporting the achievement of the MDGs.

In the context of the launch of Social Watch's new report, this seminar examined the issues surrounding the EC's programming process and financial architecture. It asked the question: Does the North-South financial architecture really contribute to the achievement of the MDGs?

Sources: <http://www.socialwatch.org/en/informelmpreso/index.htm>
<http://www.eepa.be/wcm/>

IMF sells Gold to pay staff?

The International Monetary Fund, the world's third-largest owner of gold, should sell some of its hoard to cover projected operating losses of \$87.5 million next year and \$280 million in 2009 to be able to pay its staff, say a growing number of the fund's executive directors. In general the Fund pays its staff and covers costs from interest earned. However declining demand of loans in part because governments are reluctant to fulfill requirements such as spending cuts and sales of government assets, has resulted in an operating deficit for the IMF. Tuomas Saarenheimo of Finland, chairman of a group that coordinates the position of European Union members on the fund's 24-person board, said in an interview in Washington: *"We would support the use of fund gold as part of the solution to IMF financial needs"*.

The growing support irritates a number of observers from civil society which had launched an initiative in 2005 to sell gold to fund debt relief for poor nations. This initiative was blocked with the argument that the selling of funds would seriously undermine IMF's independence. However, Finland and other Nordic nations, which opposed the unsuccessful 2005 plan, now back the sales.

Sources: <http://www.bloomberg.com/apps/news?pid=newsarchive&sid=avl7kM1.9Cmk>

Elections in Aceh

The local elections in Aceh taking place this Monday 11 December mark the end of the EU's Aceh Monitoring Mission (AMM) which prepares to depart on 15 December 2006. Although mission has been a great success with the elections being a major breakthrough, civil society organisations in the region want the EU to remain engaged. *"The need for the consolidation of the peace process, which is still fragile, is a major concern"*, says Faisal Hadi, Executive Director of NGO Koalisi HAM.

There is wide recognition of the important role that Acehnese civil society plays as an active mediator for peace. However, after thirty years of conflict, its capacity has been seriously limited and needs to be strengthened. Civil society organisations are therefore appealing for a continued role for the EU with regard to human rights, gender and the reintegration of former combatants. Andreas List from the European Commission's South East Asia unit believes that the EU can contribute to this by offering constructive support for strengthening local organisations. He pointed out that *"the AMM's departure may mark the end of the mission, which is accomplished if the elections are successful, but it definitely does not end the peace process and EU's engagement in the region."* European Commissioner for External Relations, Benita Ferrero-Waldner, understands the concerns of local organisations in Aceh and sees a role for the EU in the further implementation of the peace process. *"Even after the Aceh Monitoring Mission departs later this month, the EU will continue its support for the peace process with assistance for governance, election support, reintegration, and police and justice reform. Our commitment to Aceh is as strong as ever"*, she said in a speech on EU-Indonesia Day.

Sources: http://www.eepa.be/wcm/index.php?option=com_content&task=view&id=114&Itemid=1

German official sees Constitution by 2007

Speaking in Brussels on 6 December, Wilhelm Schönfelder German ambassador to the European Union, emphasized the importance of timing in order to get a new text ratified before the European Parliament elections in 2009. In his opinion the German presidency should not be overloaded with expectations for its six month term. However, what it could provide is *"a roadmap filled with as much substance as possible"* and a detailed report including recommendations, procedures and a calendar of next steps. Although the constitution is in deadlock currently, Finland's ratification of the treaty on 5 December leaves some room for optimism with 18 members having signed the constitution so far. Schönfelder very much rejected the idea of having another convention and strongly advised to keep the negotiations *"out of the Brussels machinery"*. In his opinion if getting an agreement were left to the Council of Ministers, the European Parliament and the Commission, *"you will never come to a solution"*. Such a blunt rejection of parliamentary participation in favour of negotiations in the national capitals is expected to provoke strong reaction from MEPs who have demanded a strong participation in a renegotiation of the constitution.

Sources: <http://www.europeanvoice.com/current/article.asp?id=26868>

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