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Workshop Report

Tackling Global Issues Together: Climate Change and New Drivers of a European Policy for Global Development

The strategy workshop 'Tackling global issues together: climate change and new drivers of a European policy for global development' was organised by the European Think Tanks Group and held in Königswinter near Bonn on 15 and 16 September 2010. The aim of the workshop was to assist the Development Commissioner in answering three pressing questions:

1. What key actions need to be taken to tackle global issues?
2. What role should Europe play?
3. Which policies and instruments could be changed in order to foster joined-up action and a greater European influence on the global discussion?

Participants included representatives from the European Commission, EU member states, policy institutes, universities and NGOs. Debates took place under the Chatham House Rule.

During the debates, a consensus emerged around two key points: First, that challenges to sustainable poverty reduction are increasingly global in nature and need to be tackled through multilateralism and concerted global action, with speed and on a wide scale for impact. Second, that the need to address the links between the provision of global public goods and advances in development (see the *Workshop Background Paper*) is based on a motivation of (enlightened) self-interest. Climate change is a key example of a global development challenge where concerted European effort is more likely to be effective for public good provision than member states acting individually. However, just because joined-up action is desirable does not mean that it will happen, and strong arguments are needed to convince policymakers to choose 'Europe' instead of other options.

Debate focused on the need to reset development policy, which was perceived as both an opportunity and a challenge. Visions need resources if they are to become reality, but the economic and financial context has constrained budgets and made it more difficult to allocate resources to development cooperation policies. Participants agreed that the outlook for current activities to improve the provision of global public goods is dim, with few indications for concerted global action.

Key challenges related to the EU's contribution to the provision of global public goods that were discussed at the workshop included:

- More than ever, tackling global challenges through development policy means providing full support to processes that are owned by others (Southern partners). It is at the local level where the linkages between global public goods and poverty reduction have to be tackled in order to make global agreements concrete.
- Development is a polycentric policy: peace, security and global justice are indivisible common goods; no one can have them unless everyone has them.
- There are different and parallel paths: different actors operate at different levels (global/regional/national/local), with different narratives on development that need to be reconciled with global public goods.
- In Europe vested interests make it difficult to argue for more multilateralism in the national context(s).

The workshop raised issues around the need to have a plan for the better provision of global public goods with a view towards poverty reduction, meaning movement towards win-win situations and creating incentives to get there. Political responsibility is needed to increase cooperation and to differentiate cooperation strategies. Not least, the combination of development and global public goods needs leadership and institutional innovation: leadership to address challenges that have arisen in a rapidly changing world of diverse power and wealth, where collective action and the distribution of benefits is difficult; and institutional innovation to manage the increasingly blurred distinction between domestic and foreign policy. Achieving operational progress requires more joined-up approaches between institutions, policy fields and departments. Making these steps manageable – and measurable – requires the setting of priorities. Ultimately, actors in global development need to coordinate in a principled way, which means coordination to achieve policy coherence *for development* beyond the national level.

In a pluralistic system of global governance there are many possible arenas for confronting global challenges. In this context, answering the question of what Europe's role should be is not a straightforward task.

The role of Europe in addressing global challenges

In part, the difficulty to define Europe's role stems from competing perceptions about the concept of 'Europe' itself within the European development policy community. For some, 'Europe' provides shorthand for EU-level actors in European development cooperation and is viewed as separate from bilateral development actors operating under the authority of EU member states. For others, 'Europe' represents a system comprising both actors at the EU-level and the member states that play an important role in shaping the contours of EU action. These competing perceptions give rise to alternative understandings of what strengthening Europe's role in international action more broadly might entail. From one perspective, this could involve increasing the weight of supranational organisations; from another it might require strengthening coordination among EU member states, positions which are not entirely mutually exclusive.

Whatever the specific perception of 'Europe', there is a recognition that enhanced cooperation among European actors offers a host of advantages in facing global challenges. Increasing cooperation offers benefits in the scale of action: with a more unified voice, Europe can assume a critical mass providing a more significant lever for global change (whether through normative power or the leveraging of financial resources) than bilateral actors are able to offer on their own. At the same time, greater cooperation is important in easing dialogue with partner countries, opening the way for principled coordination at the country level and providing a vehicle for strategic partnerships with important actors outside of Europe. Though the plurality of development actors within Europe presents challenges in arriving at common positions and coordinating operational activities, the same organisational diversity might also be considered a source of strength, as it can provide opportunities to develop innovative and flexible approaches for joined-up action enabling the quick and efficient deployment of scarce resources.

While plenty of arguments for 'why Europe' were brought to the fore by workshop participants, it was often noted that, in practice, the European Commission is unfit for the purpose. As one participant put it, "the EU tip-toes through the rain in order not to get wet." This is partly a result of the ambivalence of its nature (actor or coordinator). It was also lamented that the Commission is sometimes incoherent and driven by contradictory bureaucratic and political considerations. A further criticism was levelled at the Commission's inflexible bureaucratic structure, which can prevent it from responding quickly enough to changing circumstances.

Priorities for European engagement with global public goods and development challenges

Workshop participants felt that the Lisbon Treaty provides an opportunity for changes at the European level that will better enable the EU and its members to meet global challenges. The new European External Action Service (EEAS) will have a key role in working with the Commission and member states to conduct EU development cooperation in the broader context of EU external policy, with a view towards poverty eradication and good governance.

There was agreement that the multifaceted impact of climate change and the cross-sectoral nature of climate policies justify setting a clear priority for this policy area in European development policy. Political leadership and institutional innovation are needed: the former for joined-up action across the Commission and with member states, especially regarding low-carbon partnerships with large emitters; and the latter with regard to making the Code of Conduct for the Division of Labour operational.

The four working groups were able to identify several priorities for joined-up action in pursuit of global climate stability and development:

Working Group Conclusions

Group 1: Managing change in fragile contexts	Group 2: Delivering coherent finance
<ul style="list-style-type: none"> - There is a need for better local knowledge, and more dialogue with rentier elites - There is a need for Europe to engage more at the regional level, especially through the African Union - There is a need for flexible long-term engagement 	<ul style="list-style-type: none"> - Manage the European response to the forthcoming report of the High-Level Advisory Group on Climate Change Financing - Invest in EU platform for cooperation on climate change financing - Facilitate the formulation of a joint position ahead of Cancun and afterwards
Group 3: Engaging in new partnerships at regional and international level	Group 4: Bridging institutional cultures at national and European level
<ul style="list-style-type: none"> - Europe should show itself as a credible partner by acting on its climate change and aid commitments - Europe should differentiate engagement with partners between 'adaptation' and 'mitigation' 	<ul style="list-style-type: none"> - The EU should work with partner countries directly, using action frameworks and an operational focus - Europe should introduce a climate and development peer review mechanism - There is a need to increase visibility and added value

Some debates were specific to the issue-areas discussed, but three recommendations were shared by the working groups:

1. Visibility needs to be increased based on more effectiveness,
2. Europe needs to work on improving its credibility, and
3. The Commission needs to provide leadership.

1. Visibility through effectiveness

Political will is shaped by public consciousness about problems and their solutions. The visibility of the EU's contribution to the provision of global public goods and poverty reduction is therefore crucial to building political capital at all levels: with governments and ministries in Europe and in partner countries, and also with the public whose taxes fund development cooperation and climate policy. Improving visibility is to an extent dependent on improving communication – the Commission's actions related to rethinking the EU's development strategy (such as upcoming public consultations initiated by the Commissioner for Development and a possible review of the European Consensus on Development), will be useful in this context, within Europe and beyond. This is, however, only part of the story.

Participants emphasised that the kind of visibility that has the greatest positive impact on political will is that which results from effective policy and implementation. Member states and the Commission all have a role to play. One suggestion was a climate and development peer review mechanism to foster evidence-based debates, which would be an important

step towards more effective, and therefore visible, policy. A second was that building better partnerships – with the G20, the African Union, and in the United Nations – would boost visibility in developing countries. There were also some cautionary remarks on the potential tension between visibility and ownership. And, it was noted, the ACP-EU is a crucial relationship: acting together, ACP and European countries could shape global debates at the interface between development and climate change.

2. Europe (Commission and member states) needs to work on improving its credibility

A strong emphasis was put on the view that Europe should lead by example, such as on the additionality debate. Actions speak louder than words, and when words are not accompanied by actions disappointment is inevitable. Policy coherence for development cannot remain as an ideal: while policy coherence is intrinsically a contested notion, ensuring that security, socio-economic, environmental and other policies do no harm, but rather contribute to development is crucial for the credibility of the EU's development partnerships. Participants also stressed that progress on increasing ownership is dependent on improving credibility. Developing countries have legitimate arguments regarding the developed world's responsibility for climate change, as well as mixed experiences with donor countries and institutions. Improved credibility is crucial in building mutual trust.

In the short- to medium-term term the EU and its members need to deliver on promises to reduce greenhouse gas emissions, increase ODA to 0.7% of GNI, address the issue of the diversion of ODA to non-development related objectives, and make greater efforts to enhance the contribution of research, intellectual property rights measures and technology transfers to development objectives. Credibility is a medium-term goal, in that improvement results from incremental steps and demonstrated successes in decentralised policy frameworks and programmes. Participants argued that the Commission and member states all need to work to make a difference in this area.

3. The Commission needs to provide leadership within Europe

Debates emphasised the point that if Europe is to make progress on addressing global development and climate change challenges, the Commission needs to take the lead in shaping debates on how this should happen. Effective European leadership, it was said, was currently in short supply in an unfavourable political and economic climate, but this will not last for ever. The Development Commissioner needs to make the case for joined up action on policy coherence and the division of labour, especially given the opportunity provided by the EEAS. The case would be stronger if the Commission could set clear priorities for its own work, and demonstrate to member states that working through Brussels is more effective than other options.