

# THE POST-2015 AGENDA AND THE EU

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- The era of the Millennium Development Goals and the Millennium Declaration expires in September 2015. As the largest donor of international development aid and trader with the developing countries, the EU has a key interest in the future outcome. It has also made binding commitments to support developing countries' own efforts to fulfil the present goals, as well as to act as a global partner.
- In the ongoing consultation process, the UN is pushing ahead with an enabling, universal development paradigm with an enhanced development partnership that goes well beyond traditional development assistance.
- Whereas the EU and the UN share common ground on human rights, governance and security issues, their preliminary proposals differ significantly on the question of a global partnership. The European Commission has tabled a proposal for the Union that is still based on a very conventional donor-recipient approach, which the UN seeks to reject.
- The European Commission proposal is problematic because it fails to present a comprehensive analysis of the current Millennium Development Goal on a global partnership, especially regarding trade and debt issues. Instead, it focuses on developing countries' domestic policies.
- The EU still has time to correct this as the process unfolds. Should it fail to do so, it is highly unlikely that other donors will take up the UN proposal and push it through in the inter-governmental negotiations.

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## **Towards a universal approach to development**

During the past decade the United Nations Millennium Development Goals (MDGs) and the wider Millennium Declaration have guided developing countries, donors and international development organizations in tackling poverty in poorer countries across the world. They have also constituted a cornerstone of the European Union's (EU) efforts in the field of development. Until now, the division of labour in world development has been straightforward. The traditional donor countries have provided aid to poorer countries with a view to boosting developing countries' own efforts to alleviate poverty. The caveat to this approach is that it has largely ignored the more advanced countries' impact on, and responsibility towards, unsustainable world development.

The new agenda – to be agreed in the UN in 2015 – aims to chart a new course for efforts to foster world development. To this end, leading economies such as the EU and the US, developing countries as well as emerging powers are being called upon to revitalise their commitments to a global partnership for development. To overcome some of the identified problems of past efforts, the post-2015 agenda aims to integrate the future goals into the larger framework of sustainable development. This implies a single agenda on social, economic, environmental and security aspects of development for all countries. Crucially, it calls for joint responsibility over development that would go far beyond traditional development cooperation. The key question is whether the European Union has got what it takes to move in this direction.

This paper aims to analyse the EU's preliminary take on the evolving development agenda. The point of departure here is the Commission proposal entitled *A Decent Life for All*, which presents the Commission's vision for the whole European Union. It also marks the launch of the official debate within the EU member states, in the European Parliament, and amongst civil society actors. The first framing is important as it lays the foundation for the ensuing positions. In the case of the Union, the Commission will coordinate the EU's proposal for a global partnership.

To elucidate the EU's role in the post-2015 development partnership, the paper begins with a brief

description of the UN System Task Team's proposals for the future framework. Against this background, the Commission's initial response to the UN proposals is reviewed in a comparative manner. In addition, this section takes stock of the EU's past efforts as a partner for global development. Finally, the paper summarises the main observations and discusses possible ways forward for the EU in the processes leading up to a new development partnership.

## **The post-2015 UN proposals for the future**

The UN System Task Team on the Post-2015 UN Development Agenda has been the mastermind behind the official preparatory process. This body is chaired by the UN Department of Economic and Social Affairs and consists of more than 60 development experts from different UN entities and other international organisations including the World Bank. It wields huge external influence as it provides one of the most utilised analyses in the global consultations. For this endeavour, the UN System Task Team has analysed the lessons learnt from the Millennium Development Goals as well as outlined a vision for a sustainable future. In this regard, there are two main documents, with *Realizing the Future We Want for All* (June 2012) serving as the first reference to frame the debate.

The review of the current development agenda concerns eight development goals. For pragmatic reasons, the focus of the goals was limited to a number of issues related to poverty in developing countries. These six goals also included time-bound targets and indicators that cover eradication of extreme poverty and hunger, universal education, gender equality, reduction of child mortality, improvement of maternal health, combatting HIV/AIDS, malaria and other diseases. Compared to these objectives, the last two goals on environmental issues and sustainability, and a global partnership, have received far less attention. Moreover, the provisions on the eighth goal on a global partnership include only recommendations instead of concrete targets.

However, global partnership consists of pressing issues for development and stability both on a national and a global scale. These include the reform of the international trading and financial system with a view to improving developing countries' market access and debt sustainability. In addition,

global partnership covers development assistance in general as well as special support for the least developed countries, small island states, and land-locked countries. Furthermore, the goal points to access to affordable medicine and the availability of information and communication technology as key issues in the attainment of development goals at the national level.

One of the key arguments for the UN Task Team is that there is a pressing need to integrate a global partnership and an updated development agenda for developing countries. To this end, the experts are building on the common core values of equality, sustainability and human rights. In addition, the team urges the amalgamation of employment, governance, security and climate into one development package. Yet the groundbreaking suggestion relates to the joint responsibility between countries to ensure the advancement of the social, economic, environmental and security dimensions of development. In this regard, the UN Task Team refers to what it terms “development enablers” or prerequisites that need to be in place in order to achieve any of the future development goals. In a nutshell, the Global Partnership should focus on securing and enhancing these development enablers.

To this end, in March 2013 the UN System Task Team published yet another framework document that examines the issue of a global partnership for development as being the key to an enabling environment. The main idea here is to guarantee that all policies both in developing and developed countries contribute to the attainment of future development goals, or at least do nothing to thwart them. In general terms, this principle is known as policy coherence for development, and is something that the UN Task Team aims to bring to the forefront of international attention.

The key idea here is, firstly, to stimulate discussion on the future of joint responsibility, and to eventually include global partnership in each of the future goals. This emphasis opens up an opportunity for the Union to step up policy coherence, as this commitment has already been enshrined in its treaties since 1993.

## **The EU’s global partnership: Preliminary priorities and past records**

The EU’s preliminary response to the post-2015 debate draws on internal preparations as well as the outcome of the Rio+20 Summit on sustainable development. In this regard, there have been a couple of important benchmarks so far. The process got underway officially with a public consultation that the European Commission Directorate for Development and Cooperation (DEVCO) conducted in June–September 2012. To highlight the need for a common EU position, Ireland, as the President of the Council of the European Union, invited member states’ development ministers and European Development, Environmental and Humanitarian Aid Commissioners to an informal meeting for the first time in February 2013.

Even at this stage, the participants succeeded in agreeing on the need for a unified and integrated post-2015 approach, combining both an international framework for a revised MDG–development agenda and sustainable development. In this framework, respect for human rights, natural resource management, good governance and the rule of law were seen as key. This, together with Commission services internal consultation and cooperation with the European External Action Services, provided the basis for the European Commission Communication entitled *A Decent Life for All: Ending Poverty and Giving the World a Sustainable Future* in February 2013.

The core message was discussed at the Foreign Affairs Council Conclusions, which at this time included a session on development cooperation on 28 May, 2013. Importantly, the Foreign Affairs Council endorsed the single post-2015 framework with the focus on democratic governance, human rights, and peace and security, which the EU sees as the preconditions for sustainable development. In particular, the new framework “should work towards sustainable development to eradicate poverty, including extreme poverty in a single generation, and to ensure sustainable prosperity and well-being of all people within planetary boundaries”. This statement was put before the EU’s Environment Council for endorsement and was successfully adopted by the EU’s General Affairs Council in June 2013. These conclusions form the main basis of the EU’s position on the ongoing UN process, scheduled

to be concluded at the UN General Assembly in September 2015. However, these rather general EU conclusions leave room for a variety of options for a future development partnership. The Commission proposal thus serves as a key attempt to concretize the EU's vision for the post-2015 global development agenda.

### **Similarities between the UN's and the European Commission's proposals**

At the outset, the European Commission's and the UN System Task Team's visions share the same goal of having one integrated framework to govern international action after the expiry of the Millennium Development Goals. Within this agenda, both highlight the importance of human rights, and peace and security in the sustainable development equation. This preliminary consensus is important because both the single framework and a strong human rights focus are likely to be challenged by a number of emerging powers such as China and India. In addition, placing peace and security at the core of the development debate aptly responds to the concern that poor countries suffering from violence are also the ones falling behind in any international development objectives. In sum, this unanimity on human rights, governance and security is a good start.

Furthermore, the UN and the Commission are building on a very similar analysis of the success and failures related to developing countries' own goals. In addition, the UN task force and the European Commission stress the importance of meeting these current goals, and that the future post-2015 partnership should continue to be based on the current development goals.

Yet, the task ahead is enormous: neither the number of people in extreme income poverty (1.3 billion) nor the state of the environment (fertile land, clean water and air, climate change, biodiversity loss) is sustainable. On the contrary, the planetary boundaries have been exceeded while decent life for all human beings is still a remote dream. This, combined with increasing inequality and population growth, is the equation that the future post-2015 development framework needs to solve. To make this happen, the UN System Task Team and the European Commission are calling for integrated

responses from all countries. In this regard, the Commission underlines fundamental linkages between global environmental sustainability, peace and security as well as inclusive economic and social development. The UN task force not only draws these dimensions together but also discusses the enabling preconditions that need to be in place. This is where the differences start to emerge.

### **Differences between the UN's and the European Commission's proposals**

The first main difference between the two sets of proposals relates to developing and developed countries' respective roles and responsibilities. In particular, this reflects the way in which the global development partnership is understood in the 2015 framework.

In essence, the European Commission puts the emphasis on developing countries' national efforts and responsibility and sees the global partnership as something complementary. Consequently, the Commission outlines key areas in which more work should be done at the country level. This approach is also reflected in the initial envisioning of future goals for developing and developed countries, including the emerging economies. In the Commission's view, these goals should encompass poverty eradication, changing unsustainable consumption and production patterns, and protecting the natural resource base of economic and social development.

From these premises, the Commission draws the main elements for its proposal for the EU's future position. It also mentions five priority elements for the new overarching post-2015 framework. In line with the inclusive social and economic development dimensions, the European Commission calls for basic living standards for everyone, including basic health outcomes and social protection, and stimulation of inclusive and sustainable growth in open market economies where productive capacities, private sector development and investments are promoted. By the same token, sustainable management of natural resources in relation to food security and resilience falls largely under national governance.

However, the European Commission does highlight the fact that private and public companies must be

accountable and adhere to high standards of transparency and good governance. It also states that the global community should support these efforts. In addition, equality, equity and justice, with a specific focus on the role of women, as well as peace and security are seen first and foremost in a national context. Consequently, the responsibility for implementing the future development framework lies within each country itself and the main drivers are domestic.

On a positive note, this approach is in line with the idea of the country ownership principle that has become integral to development cooperation. Without an equally strong commitment to the global partnership, however, it risks undermining more holistic approaches to development and policy coherence. In contrast, the UN Task Team's proposal, while acknowledging the importance of domestic governance, stresses collective action as being the key to an enabling environment. This collective action requires leaders that venture outside the UN organisations. If the EU does not assume this role, it is highly unlikely that anyone else will.

In this regard, the Commission's proposal for the European Union remains limited. Whereas the UN System Task Team points to the gap between the high hopes vested in the global partnership goal and its insufficient implementation across the board, the Commission focuses on what it regards as success stories and the EU's own role in these achievements. As discussed above, the Global Partnership is contained in all six sub-targets. However, the Commission discusses only two of them: development assistance (in relation to the needs of the least developed countries) and trade. The European and developing countries' clinical trials partnership that relates to access to affordable medicines is just mentioned *en passant*.

The Commission's analysis of the global partnership starts with a presentation on the increase in Official Development Assistance (ODA). Indeed, ODA has increased globally by nearly 70% to EUR 96 billion, while the share of ODA going to the Least Developed Countries (LDCs) has more than doubled since 2000. In this regard, the EU merits an acknowledgement. In fact, the European Commission acted as the leader at the UN Financing for Development Conference (2002), which succeeded in raising both global and EU levels of official development assistance. Today,

the EU and its member states are collectively still the largest donor, providing an annual EUR 53 billion in ODA (2011), or more than half of global ODA. However, there is still room for improvement. The Union as a whole has endorsed a joint objective to raise development assistance to the UN-pledged level of 0.7% of their Gross National Income. So far, out of the 15 EU member states that have made this commitment, only three countries have reached the target.<sup>1</sup> At the present time, these include Sweden (1.02), Luxembourg (0.99) and Denmark (0.86). While the UK has confirmed that it will reach the target in 2013, aid from the previous top performer, the Netherlands, has already decreased from 0.78 to 0.63 on the grounds of the financial crisis.

When it comes to the global partnership, it is important for the Commission that the member states stay on track with their development aid targets for the poorest developing countries. To fulfil the global pledge and to reach the collective EU target of 0.7% of GNI by 2015, the EU and its member states would still need to mobilise an additional amount of approximately €46.8 billion. In the face of budgetary pressures, the Council has expressed concern about ODA levels and reaffirmed the commitment to achieve EU development aid targets.

Should the decreasing trend continue, it will jeopardise the common EU pledge to provide 50% of the expected increase in development aid to sub-Saharan Africa. This is why the European Commission is actively looking into different forms of innovative finance. These include voluntary levies, public-private partnerships and market-based financial transactions, remittances from migrants and, increasingly, stemming corruption and illegal financial flows from developing countries.

Against this focus on securing financial resources for development, it appears strange that the Commission proposal turns a blind eye to the poor countries' debt problem. This is alarming as debt sustainability is one of the core areas for the global partnership. Despite the commitments that the EU has made to different debt reduction initiatives, the Union still lacks a common debt policy towards developing countries. This is a clear contradiction as

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1 Those 12 member states that joined the EU after 2004 aim at 0.33% respectively.

unsustainable debt may undermine other efforts to increase domestic and foreign resources for poverty eradication.

The poorer the country, the bigger the role played by external funding in providing basic services in line with the development goals. However, ideally, aid or other forms of external funding are only a catalyst, not the fuel that sustains the development process. Instead, trade is the policy area on which such high hopes are often pinned. Making the international trading system work for development was, in fact, the first priority of the current global partnership goal and the Millennium Declaration at large. In this regard, developed countries made a commitment to grant developing countries greater access to their markets. This plea was crucial for the least developed countries, which benefit the most from tariff reductions, especially on their agricultural products.

The Commission proposal points to the fact that between 2000 and 2009 developing country exports rose by 80%, compared to 40% for the world as a whole. However, the way in which the European Commission presents this fact is somewhat misleading. In reality, it is the growth in Asia's trade that explains this trend, whereas the benefits elsewhere, especially in Africa, are yet to materialise. The least developed countries continue to account for a minuscule share of world trade.

To improve the situation, the EU was the first trading partner to show the way. Since 2001 the EU's Everything But Arms initiative (EBA) has in principle granted duty-free and quota-free access to products originating from the least developed countries. However, this preferential access to the European market has been limited because of strong protectionist resistance. In fact, long transition periods for bananas (2006) and rice and sugar (10/2009) as well as restrictive rules of origin have weakened the developmental potential of this trade regime.

Even more alarmingly, the European Commission proposal does not discuss the EU's Economic Partnership Agreements in this context although it recognizes the importance of trade, especially for sub-Saharan Africa. After ten years of free trade negotiations, regional agreements are still not in place. However, the Commission dismisses this issue completely. Overcoming this is particularly important from the point of view of policy coherence for

development, which both the UN task force and the Union see as integral to the global partnership. Unfortunately, at this time, the European Commission is passing up the opportunity to show how to translate the principle into practice.

However, the EU can still raise its profile as the intergovernmental negotiations start to unfold in 2014. In this regard, these post-2015 bodies are working in parallel with the so-called High-Level Political Forum development that was established as an outcome of the UN Rio+20 summit. There are two intergovernmental working groups under the High-Level Political Forum: an Open Working Group that works specifically on sustainable development goals, and another which plans the appropriate means of implementation. For the EU, the Open Working Group appears to be the main channel of influence for having a say in the integrated agenda, and for having it accepted. At the same time, it can set an example and contribute adequate resources to accompany such an agenda. As the question extends far beyond development aid, a review of all its development-relevant policies is in order.

## Conclusions

The search is on for a new development paradigm. Both the European Union and the UN System Task Team are in favour of integrating the current Millennium Development Goals package into a new format as a part of the larger sustainable development framework. Whereas the Millennium Development Goals were primarily seen as targets for developing countries, this approach highlights the importance of the global partnership and the universality of global development. At this stage, the UN System Task Team as well as the EU place human rights, peace and security as well as governance at the very core of the future post-2015 agenda. Yet, the main difference lies in the way in which the global partnership for development is understood.

For the UN, the global partnership implies the fulfillment of the current global partnership goal. This is the key to an enabling environment which, in turn, supports the developing countries' own efforts. While the debate is still ongoing in the EU member states, the European Commission proposes that the EU should take a different view on the global partnership question. In fact, the European

Commission's vision is still based on a very conventional donor–recipient approach that the UN task force sees as a failure in the current development agenda.

From the point of view of international development, the Commission proposal is problematic for two reasons. First, it fails to present a comprehensive analysis of both the progress made so far as well as the remaining challenges ahead. Second, the Commission's focus on domestic measures blurs the inter–linkages within the international system. However, especially in the area of development financing, trade, debt and access to affordable medicines, addressing developing countries' domestic policies is only one side of the dilemma. As the leading donor and trader as well as a key creditor and investor, the EU potentially has a lot to offer. In this regard, the EU could influence the design of universal development goals with shared responsibility, as well as secure the means of implementation beyond development aid.

One thing is certain: both domestic and international measures are needed to combat the mounting challenges of unsustainability and poverty in the world. As regards the international measures, the EU has not yet responded to this challenge. One plausible explanation for this stance may lie in the timing. In the positive sense, the EU wants to avoid a situation in which it plays all its cards before the other major UN players reveal their hands. In so doing, the Commission's proposal leaves the door open for actors – emerging economies as well as the EU's own member states – to step in. Such caution is also understandable in the light of past experiences from the UN Rio+20 Summit on Sustainable Development, where the EU's activeness was perceived as imposing by many developing countries. At the same time, a strong focus on human rights without a much-needed review of the global partnership implies similar risks. However, there is still time to change this course. If the EU doesn't take up this challenge, who will? In the light of the binding development commitment so far, the EU is perhaps the only actor that could take the global partnership agenda forward.

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